

# Consolidated Plan for the District of Columbia

## *Fiscal Year 2002 Action Plan*

Prepared by the  
D.C. Department of Housing and Community Development  
801 North Capitol Street, NE  
Washington, DC 20002

Government of the District of Columbia  
Anthony A. Williams, Mayor

Department of Housing and Community Development  
Milton J. Bailey, Director

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# **Consolidated Plan for the District of Columbia**

## ***Fiscal Year 2002 Action Plan***

### **1. Introduction**

This document constitutes the Action Plan of the Department of Housing and Community Development (DHCD) of the District of Columbia for Fiscal Year 2002 (October 1, 2001 to September 30, 2002). The annual submission of an Action Plan to the U.S. Department of Housing and Urban Development (HUD) is required by the National Affordable Housing Act in order for the District to continue to be eligible to receive the HUD entitlement grant funds covered by this application.

The Action Plan is not only an application to HUD for federal funding, it is also a statement of the strategic activities DHCD, as the District's designated program administrator, intends to undertake during the fiscal year that the Plan covers. Activities included in the Plan must tie into a strategy to achieve three HUD-prescribed goals to develop viable communities. The three HUD goals are:

1. To provide decent housing, especially homeless housing and supportive housing;
2. To provide a suitable living environment; and,
3. To expand economic opportunities, principally for low- and moderate-income persons.

There are four HUD entitlement grant programs included in this consolidated application. The four HUD programs are:

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Shelter Grants Program (ESG)
- Housing Opportunities for Persons with AIDS Program (HOPWA)

### **2. Form SF424, Application for Federal Assistance**

A Form SF424, Application for Federal Assistance, for each of the entitlement grant programs is provided on the following four pages of this document.

# Application for Federal Assistance

		2. Date Submitted 08/15/01		Applicant Identifier	
1. Type of Submission:  Application: Non - Construction Preapplication: Non - Construction		3. Date Received by State 04/02/01		State Application Identifier	
		4. Date Received by Federal Agency 08/15/01		Federal Identifier	
5. Applicant Information					
Legal Name Washington, DC			Organizational Unit Dept. of Housing and Community Development		
Address 801 North Capitol Street, NE Washington, DC 20002  United States of America			Contact Jack E. Nelson (202) 442-7253		
6. Employer Identification Number (EIN): 53-600113			7. Type of Applicant:  State		
8. Type of Application: Type: New					
			9. Name of Federal Agency: U.S. Dept of Housing and Urban Development		
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.218 Assistance Title: CBDG Entitlement Grant			11. Descriptive Title of Applicant's Project: Twenty-Seventh Year Community Development Block Grant Program		
12. Areas Affected by Project: District Wide					
13. Proposed Project:		14. Congressional Districts of:			
Start Date 10/01/01	Start Date 09/30/02	a. Applicant District of Columbia		b. Project District of Columbia	
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process?  Review Status: Program covered  Date:: 07/10/01			
a. Federal \$24,334,000					
b. Applicant \$0		17. Is the Applicant Delinquent on Any Federal Debt?  No			
c. State \$0					
d. Local \$0					
e. Other \$0					
f. Program Income \$8,950,080					
g. Total \$ 33,284,080					
18. To the best of my knowledge and belief, all data in this application/preapplication are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.					
a. Typed Name of Authorized Representative Milton J. Bailey		b. Title Director, Dept. of Housing and C		c. Telephone Number (202) 442-7212	
d. Signature of Authorized Representative				e. Date Signed 08/15/01	

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		4. Date Received by Federal Agency 08/15/01		Federal Identifier	
5. Applicant Information					
Legal Name Washington, DC			Organizational Unit Dept. of Housing and Community Development		
Address 801 North Capitol Street, NE Washington, DC 20002  United States of America			Contact Jack E. Nelson (202) 442-7253		
6. Employer Identification Number (EIN): 53-600113			7. Type of Applicant:  State		
8. Type of Application: Type: New					
			9. Name of Federal Agency: U.S. Dept of Housing and Urban Development		
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.230 Assistance Title: HOME Investment Partnership Program			11. Descriptive Title of Applicant's Project: Tenth Year HOME Program		
12. Areas Affected by Project: District Wide					
13. Proposed Project:		14. Congressional Districts of:			
Start Date 10/01/01	Start Date 09/30/02	a. Applicant District of Columbia		b. Project District of Columbia	
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process?  Review Status: Program covered  Date:: 07/10/01			
a. Federal \$7,654,000					
b. Applicant \$0		17. Is the Applicant Delinquent on Any Federal Debt?  No			
c. State \$0					
d. Local \$0					
e. Other \$0					
f. Program Income \$400,000					
g. Total \$ 8,054,000					
18. To the best of my knowledge and belief, all data in this application/preapplication are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.					
a. Typed Name of Authorized Representative Milton J. Bailey		b. Title Director, Dept. of Housing and C		c. Telephone Number (202) 442-7212	
d. Signature of Authorized Representative				e. Date Signed 08/15/01	

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		4. Date Received by Federal Agency 08/15/01		Federal Identifier	
5. Applicant Information					
Legal Name Washington, DC			Organizational Unit Dept. of Housing and Community Development		
Address 801 North Capitol Street, NE Washington, DC 20002  United States of America			Contact Jack E. Nelson (202) 442-7253		
6. Employer Identification Number (EIN): 53-600113			7. Type of Applicant:  State		
8. Type of Application: Type: New					
			9. Name of Federal Agency: U.S. Dept of Housing and Urban Development		
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.231 Assistance Title: Emergency Shelter Grants Program			11. Descriptive Title of Applicant's Project: Emergency Shelter Grants Program		
12. Areas Affected by Project: District Wide					
13. Proposed Project:		14. Congressional Districts of:			
Start Date 10/01/01	Start Date 09/30/02	a. Applicant District of Columbia		b. Project District of Columbia	
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process?  Review Status: Program covered  Date:: 07/10/00			
a. Federal \$830,000					
b. Applicant \$0					
c. State \$0					
d. Local \$0					
e. Other \$0					
f. Program Income \$0		17. Is the Applicant Delinquent on Any Federal Debt?  No			
g. Total \$ 830,000					
18. To the best of my knowledge and belief, all data in this application/preapplication are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.					
a. Typed Name of Authorized Representative Milton J. Bailey		b. Title Director, Dept. of Housing and C		c. Telephone Number (202) 442-7212	
d. Signature of Authorized Representative				e. Date Signed 08/15/01	

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Address 801 North Capitol Street, NE Washington, DC 20002  United States of America			Contact Jack E. Nelson (202) 442-7253		
6. Employer Identification Number (EIN): 53-600113			7. Type of Applicant:  State		
8. Type of Application: Type: New					
			9. Name of Federal Agency: U.S. Dept of Housing and Urban Development		
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.241 Assistance Title: HOPWA Program			11. Descriptive Title of Applicant's Project: Tenth Year Housing Opportunities for Persons with AIDS Program (HOPWA) Program: the District of Columbia is the grantee for the formula award to the Washington, DC Eligible Metropolitan Statistical Area (EMSA)		
12. Areas Affected by Project: District Wide					
13. Proposed Project:		14. Congressional Districts of:			
Start Date 10/01/01	Start Date 09/30/02	a. Applicant District of Columbia		b. Project District of Columbia	
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process?  Review Status: Program covered  Date:: 07/10/01			
a. Federal \$8,721,000					
b. Applicant \$0		17. Is the Applicant Delinquent on Any Federal Debt?  No			
c. State \$0					
d. Local \$0					
e. Other \$0					
f. Program Income \$0					
g. Total \$ 8,721,000					
18. To the best of my knowledge and belief, all data in this application/preapplication are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.					
a. Typed Name of Authorized Representative Milton J. Bailey		b. Title Director, Dept. of Housing and C		c. Telephone Number (202) 442-7212	
d. Signature of Authorized Representative				e. Date Signed 08/01/00	



### 3. Resources Available

#### A. Federal Resources

The Community Planning Division of HUD informed DHCD in January 2001 that its FY2002 formula entitlement grant allocations are as follows:

<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>
\$24,334,000	\$7,654,000	\$830,000	\$8,721,000

The Department of Housing and Community Development will serve as the administrator for the Community Development Block Grant, HOME Investment Partnerships Grant, and Emergency Shelter Grant. The HUD entitlement grants will be supplemented by an estimated \$8,951,080 in CDBG program income and \$400,000 in HOME program income. FY2002 is the twenty-seventh year (CD-27) of the Community Development Block Grant Program.

The HUD allocation of HOPWA funds is made to the District on behalf of the Washington, DC Eligible Metropolitan Statistical Area (EMSA), which includes the District of Columbia, suburban Maryland, suburban Virginia, and two counties in West Virginia. The regional HOPWA allocation is administered through the Administration for HIV/AIDS, D.C. Department of Health. Of the total \$8,721,000 HOPWA funds, the District is entitled to 3% (\$261,630) off the top to administer the grant. The remaining funds (\$8,459,370) are distributed proportionately based upon the EMSA Ryan White formula using AIDS cases. Within each jurisdiction's allocation 7 percent may be used for administrative activities. The distribution of funds within the EMSA is as follows:

<b>Jurisdiction</b>	<b>Share (percent)</b>	<b>Amount</b>
DC	56.6	\$4,788,000
MD	24.8	\$2,097,927
VA	17.6	\$1,488,850
WVA	1.0	\$84,593
EMSA Total	100.0	\$8,459,370

Total budgeted funds for the District for the four federal entitlement grant programs (including CDBG program income funds, and formula share and 3% grantee administrative allowance for the HOPWA funds) in FY2002 are as follows:

<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>Total</b>
\$33,284,080	\$8,054,000	\$830,000	\$5,049,633	\$47,217,713

The total amount available to the District under the four federal entitlement programs in FY2002, as shown above, is \$47,217,713.

## ***B. Other Resources***

### **1. District Appropriated Funds**

The funds projected from District budget appropriations for FY2002 total \$3,701,635 according to the Mayor's FY2002 baseline budget. The availability of local funding resources to address housing and community development needs in FY2002, while steadily declining over the past decade (e.g., the FY1991 appropriated budget was \$7.7 million), is virtually the same as the FY2001 level (\$3,702,200).

### **2. Private Funds**

The grant award criteria of the District's housing and community development programs require the maximum use of private financial resources. Whenever possible, public funds are used to "close the gap" in providing the financing needed for selected projects. The District's housing production programs are often leveraged with private funds, usually with a ratio of one DHCD dollar to every three or four dollars from other sources.

Where major renovation or new development of housing is required, the private financing sector is critical. Banks and savings and loan institutions play a critical role in housing as the primary financing source of all housing production, rehabilitation or capital improvements, and ongoing operations. Many banks have special community lending operations, partly in response to the provisions of the Community Reinvestment Act, which encourages local lenders to invest in affordable housing and other community support projects. Several local banks have been active in supporting nonprofit affordable housing development.

In addition, the District government and nonprofit developers have actively reached out to capture foundation grants. Many nonprofit organizations that develop special need population housing in particular seek foundation funding to provide social support services. Among the organizations that are active in this area are the Federal National Mortgage Association (Fannie Mae) Foundation, Meyer Foundation, Local Initiative Support Corporation (LISC), and Enterprise Foundation.

## **4. Housing and Community Development Goals**

DHCD has the responsibility to facilitate the availability of adequate, affordable housing and economic opportunities to meet the needs of current and future residents. Because federal funding requirements emphasize that activities included in the Action Plan assist low-income and moderate-income persons, that will continue to be the primary focus of the Department's housing and community development agenda. However, the following overall program goals have been adopted by DHCD. Specific housing and community

development proposals will be evaluated for consistency with these goals, and funding decisions and adjustments in program direction will be made accordingly.

*Facilitate the production and preservation of housing and community and economic development opportunities in partnership with nonprofit and for-profit organizations by leveraging DHCD dollars with other financing sources in order to:*

- *Create and maintain stable neighborhoods*
- *Retain and expand the city's tax base*
- *Promote economic opportunities through community empowerment*
- *Retain and create job and business opportunities for the benefit of District of Columbia residents*

DHCD is committed to promoting the development of a range of housing and economic opportunities for District residents. In housing, particular priorities include the promotion of home ownership and rental housing opportunities among low-, middle-, and moderate-income households, the maintenance of a supply of reasonably priced housing stock, and the provision of affordable housing for members of the community with special needs, such as senior citizens and individuals with disabilities.

In economic development, attention will be focused on retention of the city's employment base and expanded opportunities for job and income creating business ventures. Sufficient well-paying jobs are essential to provide the income necessary to obtain decent and affordable housing, providing the base for balanced and stable neighborhoods, which strengthen the tax base and foster more viable communities. On an overall basis, the city's housing and community development programs must coordinate and support other city and private resources in areas of opportunity to achieve a greater impact in stabilizing neighborhoods.

## **5. Neighborhood Action: The Mayor's City-Wide Strategic Plan**

In addition to the departmental goals associated with its federal entitlement grants, DHCD is a major player in enacting the Mayor's City-Wide Strategic Plan for the District. The Neighborhood Action initiative seeks to bring together every sector of the community behind a set of common goals and shared priorities. It seeks to change the way government delivers services to its residents by improving the way the community participates in developing the government's budget, the way the community determines how government provides its services, and the way all sectors of the community accept responsibility for doing their part to improve the quality of life in the city. The initiative recognizes that many important and valuable efforts have been undertaken in the past to plan for the District's future. It does not attempt to reinvent the wheel by replacing this work. Rather, it attempts to bring together the best elements of all of the major plans that have been done, identify what the common threads are, and begin a process of strategic

goal implementation. One of the major plans reviewed during this stage of the Neighborhood Action initiative was DHCD's *Consolidated Plan for the District of Columbia Fiscal Year 2000 Action Plan*.

The Mayor's City-Wide Strategic Plan provides a vision statement and five strategic priority areas. The City-Wide Strategic Plan defines how diverse elements within the fabric of the District will work together to enhance the quality of life for all residents, businesses, and visitors. It will determine what role each needs to play in order for this transformation to happen, and it will become the blueprint for how the government and its partners will spend their resources and hold each other accountable.

The City-Wide Strategic Plan's five focused strategic priority plans are directed toward:

- building and sustaining healthy neighborhoods
- strengthening children, youth, and families
- making government work
- promoting economic development
- enhancing unity of purpose and democracy

DHCD's primary role in implementing the City-Wide Strategic Plan is centered within the Economic Development Strategic Plan. One of the key messages derived from the Mayor's Citizen's Summit was the need for a comprehensive economic development plan. Three central themes can be sorted out of the citizen's comments on need actions in the economic development arena:

- Create more retail options in depressed areas, especially by nurturing small businesses
- Replace nuisance properties with affordable housing for all citizens, including the homeless
- Improve access to job training and well-paying jobs

DHCD is the lead agency on nine action items in two of the goal areas in the Economic Development Strategic Plan.

Goal 1—Increase new and rehabilitated housing units

Action Item 2—Provide interagency coordination between DHCD, DCRA, Office of Planning, Housing Authority, and Housing Finance Agency to maximize impact of public dollars.

Action Item 3—Create new units from District-owned properties.

Action Item 4—Generate private capital by establishing a new Housing Trust Fund.

Goal 2—Increase homeownership

Action Item 1—Retain/attract new homeowners with low- and no-interest mortgage loans.

Action Item 2—Promote new residential construction with development incentives.

Action Item 3—Promote homeownership with employers and schools through down payment assistance programs.

Action Item 4—Increase mixed-use retail, major stores, and other related amenities in neighborhoods by assisting with site assemblage.

Action Item 5—Encourage District employees to purchase homes with down payment incentives and mortgage assistance.

Action Item 6—Increase number of Homestead Housing Preservation program properties and hold Homestead program lottery and competitive bid sale annually.

These goals are the basis for a unified economic development strategy to improve the lives of citizens across the city. In addition, DHCD has the lead responsibility under the Building and Sustaining Healthy Neighborhoods Strategic Plan to, “Develop housing strategy for each area and Capital Community Project as a whole.” This is one of the Action Items under Goal 8—Restore and Revitalize Community. To assess DHCD’s progress toward achieving the goals and action items for which it has lead responsibility, the following two performance indicators will be tracked:

- New units of affordable housing constructed and rehabilitated
- New homeownerships established

## **6. Activities to be Undertaken in FY2002**

### ***A. FY2002 Action Plan Initiatives***

DHCD program budget lines were realigned in the FY2001-2005 Consolidated Plan 5-year plan to reduce the number of programs and simplify their organizational structure. Reducing the number of programs and organizing the programs in a simplified manner, that allows the general public to better understand what the agency does, supports the Mayor’s strategic goal to make government work more effectively.

The total number of budget lines were reduced from an unwieldy 54 to a more reasonable 32. Programs are organized into five groups, which reflect the major activities of the Department:

- homebuyer assistance and home recycling and preservation
- affordable housing production
- community organization support
- general administration and overhead

The proposed changes in the budget lines have been approved by the Executive Office of the Mayor and were incorporated beginning with the FY2001 budget. Included on the following two pages are charts, which show the crossover between the old budget lines and the new.

**Department of Housing and  
Community Development**

**FY2001 Budget Realignment**

<b>New Budget Responsibility Centers</b>		<b>Old Budget Responsibility Centers</b>	
<b>1000</b>	<b>Homebuyer Assistance and Housing Recycling and Preservation</b>		
1010	Home Purchase Assistance Program (HPAP)	1010	Home Purchase Assistance Program (HPAP)
1020	Home Ownership Developers Incentive Fund (HODIF)	1030	Home Ownership Developers Incentive Fund (HODIF)
1030	Homestead Housing Preservation Program	1050	Homestead Housing Preservation Program
		2120	Single-family Residential Rehabilitation Program
		2130	Weatherization/Roofing Assistance Program
		2140	Lead Poison Abatement
1040	Single-family Residential Rehabilitation Program	2150	Handicapped Accessibility Improvement Program
1050	Senior Citizen Home Repair and Improvement Program	---	---
		1040	First Right to Purchase Program
1060	Tenants Apartment Purchase Program	5010	Tenant Purchase Technical Assistance
<b>2000</b>	<b>Affordable Housing Production</b>		
		2220	Construction Assistance Program
2010	Construction Assistance Program	3310	New Construction
		2110	Multi-family Housing Rehabilitation Program
		2170	Apartment Improvement Program
		2190	Distress Property Program
2020	Multi-family Housing Rehabilitation Program	2230	Rehabilitation Repayments
		1060	Community Land Acquisition Program
		2160	Property Purchase for Rehabilitation Program
		2200	Low Income Tax Credit Program
2030	Affordable Housing Production Assistance Program	3120	Real Estate Appraisal Services
2040	Housing Finance for Elderly, Dependent, and Disabled (HoFEDD)	4010	Housing Finance for Elderly, Dependent, and Disabled (HoFEDD)
2050	Housing Production Trust Fund	2180	Housing Production Trust Fund
2060	Land Acquisition for Housing Development Organizations (LAHDO)	2250	Land Acquisition for Housing Development Organizations (LAHDO)
2070	Community Housing Development Organizations (CHDO) Program	2210	Community Housing Development Organizations (CHDO) Program
<b>3000</b>	<b>Community Organizations Support</b>		
3010	Neighborhood Development Assistance Program (NDAP)	3190	CDC Base Funding
3020	Community Based Organizations Neighborhood Services Program	5030	Community Based Services
3030	Neighborhood Initiatives Support Program (NISP) Equity Grant Fund	3320	Neighborhood Initiatives Support Program (NISP) Equity Grant Fund
3040	Special Grants Program	3130	Special Grants Program
		3150	Relocation Payments
		5040	Fair Housing Program
		5050	Special Disability Services
3050	Community Activities and Services Support Program	6020	Environmental Program Development
<b>4000</b>	<b>Homeless Support and Prevention</b>		
		4020	Rehabilitation and Renovation of Homeless Shelters
4010	Emergency Shelter Grant Program	5070	Outreach and Hypothermia Program for the Homeless
		5080	Homeless Prevention Program
<b>5000</b>	<b>Economic and Commercial Development</b>		
		3160	ACAED Coop Payments
5010	Economic Development Programs (Sec. 108 Loan Repayments)	3170	Sec. 108 Loan Payments
		3140	Economic Development Business Grants
5020	Economic Development Marketing Plan	3200	Economic Development Marketing Plan
		3110	Urban Renewal Property Management
5030	Urban Renewal and Community Devel. Property Mgmt.	3210	Property Maintenance
5040	Comm. Devel. Planning Contracts and Studies	6010	Community Development Planning
<b>6000</b>	<b>General Administration and Overhead</b>		
		6400	Office of the Director
6010	Office of the Director	6030	Contingency
6020	Office of the Comptroller	6410	Office of the Comptroller
6030	Office of the Chief Operating Officer	6420	Office of the Chief Operating Officer
6040	Office of Information Technology	6440	Office of Information Technology
6050	Office of Administrative Support Services	6460	Office of Administrative Support Services
6060	Office of Strategy and Communications	6470	Office of Strategy and Communications
6070	Office of Program Monitoring and Compliance	6490	Office of Program Monitoring and Compliance
6100	General Overhead	6480	General Overhead

# Department of Housing and Community Development

## FY2001 Budget Realignment

Old Budget Responsibility Centers		New Budget Responsibility Centers	
<b>1000</b>	<b>Homeownership</b>		
1010	Home Purchase Assistance Program (HPAP)	1010	Home Purchase Assistance Program (HPAP)
1030	Home Ownership Developers Incentive Fund (HODIF)	1020	Home Ownership Developers Incentive Fund (HODIF)
1040	First Right to Purchase Program	1060	Tenants Apartment Purchase Pgm.
1050	Homestead Housing Preservation Program	1030	Homestead Housing Preservation Program
1060	Community Land Acquisition Program	2030	Affordable Housing Production Assistance Program
<b>2000</b>	<b>Neighborhood Housing Preservation</b>		
2110	Multi-family Housing Rehabilitation Program	2020	Multi-family Housing Rehabilitation Program
2120	Single-family Residential Rehabilitation Program	1040	Single-family Residential Rehabilitation Program
2130	Weatherization/Roofing Assistance Program	1040	Single-family Residential Rehabilitation Program
2140	Lead Poison Abatement	1040	Single-family Residential Rehabilitation Program
2150	Handicapped Accessibility Improvement Program	1040	Single-family Residential Rehabilitation Program
2160	Property Purchase for Rehabilitation Program	2030	Affordable Housing Production Assistance Program
2170	Apartment Improvement Program	2020	Multi-family Housing Rehabilitation Program
2180	Housing Production Trust Fund	2050	Housing Production Trust Fund
2190	Distress Property Program	2020	Multi-family Housing Rehabilitation Program
2200	Low Income Tax Credit Program	2030	Affordable Housing Production Assistance Program
2210	Community Housing Development Organizations (CHDO) Program	2070	Community Housing Development Organizations (CHDO) Program
2220	Construction Assistance Program	2010	Construction Assistance Program
2230	Rehabilitation Repayments	2020	Multi-family Housing Rehabilitation Program
2250	Land Acquisition for Housing Development Organizations (LAHDO)	2060	Land Acquisition for Housing Development Organizations (LAHDO)
- - -		1050	Senior Citizen Home Repair and Improvement Program
<b>3000</b>	<b>Community Development and Support Services</b>		
3110	Urban Renewal Property Management	5030	Urban Renewal and Community Devel. Property Mgmt.
3120	Real Estate Appraisal Services	2030	Affordable Housing Production Assistance Program
3130	Special Grants Program	3040	Special Grants Program
3140	Economic Development Business Grants	5020	Economic Development Marketing Plan
3150	Relocation Payments	3050	Community Activities and Services Support Program
3160	ACAED Coop Payments	5010	Economic Development Programs (Sec. 108 Loan Repayments)
3170	Sec. 108 Loan Payments	5010	Economic Development Programs (Sec. 108 Loan Repayments)
3190	CDC Base Funding	3010	Neighborhood Development Assistance Program (NDAP)
3200	Economic Development Marketing Plan	5020	Economic Development Marketing Plan
3210	Property Maintenance	5030	Urban Renewal and Community Devel. Property Mgmt.
3310	New Construction	2010	Construction Assistance Program
3320	Neighborhood Initiatives Support Program (NISP) Equity Grant Fund	3030	Neighborhood Initiatives Support Program (NISP) Equity Grant Fund
<b>4000</b>	<b>Homeless and Special Housing Support Services</b>		
4010	Housing Finance for Elderly, Dependent, and Disabled (HoFEDD)	2040	Housing Finance for Elderly, Dependent, and Disabled (HoFEDD)
4020	Rehabilitation and Renovation of Homeless Shelters	4010	Emergency Shelter Grant Program
<b>5000</b>	<b>Special Housing Support Services</b>		
5010	Tenant Purchase Technical Assistance	1060	Tenants Apartment Purchase Pgm.
5030	Community Based Services	3020	Community Based Organizations Neighborhood Services Program
5040	Fair Housing Program	3050	Community Activities and Services Support Program
5050	Special Disability Services	3050	Community Activities and Services Support Program
5070	Outreach and Hypothermia Program for the Homeless	4010	Emergency Shelter Grant Program
5080	Homeless Prevention Program	4010	Emergency Shelter Grant Program
<b>6000</b>	<b>Administration and Planning</b>		
6010	Community Development Planning	5040	Comm. Devel. Planning Contracts and Studies
6020	Environmental Program Development	3050	Community Activities and Services Support Program
6030	Contingency	6010	Office of the Director
6400	Office of the Director	6010	Office of the Director
6410	Office of the Comptroller	6020	Office of the Comptroller
6420	Office of the Chief Operating Officer	6030	Office of the Chief Operating Officer
6440	Office of Information Technology	6040	Office of Information Technology
6460	Office of Administrative Support Services	6050	Office of Administrative Support Services
6470	Office of Strategy and Communications	6060	Office of Strategy and Communications
6480	General Overhead	6100	General Overhead
6490	Office of Program Monitoring and Compliance	6070	Office of Program Monitoring and Compliance

A summary of the major thrusts of the five programmatic initiatives contained in the FY2001-2005 Consolidated Plan is provided in the reminder of this section.

### **1. Homebuyer Assistance and Housing Recycling and Preservation**

The District's five-year planning strategy strongly encourages the expansion of home ownership and the preservation of the city's aging housing stock as part of an overall effort to maintain healthy and viable neighborhoods. Home ownership and home preservation efforts will help lend stability to neighborhoods, encourage families to remain in the city, and support the city's tax base. The District's efforts will be focused on:

1. Providing ownership assistance as part of neighborhood improvement and stabilization activities. Efforts include encouraging ownership opportunities in low-income neighborhoods to provide a mix of incomes in those areas, and to provide additional stability for those neighborhoods.
2. Increasing private sector participation and leveraging of public funds with private resources to improve the effectiveness of current ownership programs.
3. Supporting occupants of apartment buildings to become homeowners and encouraging tenants of public or other assisted housing to move beyond public assistance as a way of life to self-sufficiency and home ownership.
6. Emphasizing rehabilitation programs for aging, single-family housing.

### **2. Affordable Housing Production**

The goal of this initiative is to increase the amount of affordable housing in the District through construction of new units and through rehabilitation. The major programs supporting this initiative include the Construction Assistance Program, Housing Production Trust Fund, and Multi-family Housing Rehabilitation Program.

The Construction Assistance Program facilitates the development of land owned by the Redevelopment Land Agency (RLA) and DHCD by providing funding for preparing sites for marketing and disposition, for construction of new housing, commercial units, and other uses. Funds also may be used for the acquisition of sites, which are appropriate for



the development of new housing for low- and moderate-income persons, commercial development, and other economic development purposes that will create jobs for low- and moderate-income persons, or provide services primarily to residents of areas with a majority of low- and moderate-income persons.

The Construction Assistance Program provides for a variety of development activities supporting the construction of residential, commercial, and industrial projects, including:

- Acquisition, management, and disposition of property (including air rights) through sale or lease
- Demolition and site preparation
- Design, installation, removal, or relocation of public and private utilities and other public improvements
- Financing predevelopment costs and expenses for marketing of RLA sites and other sites acquired for development, including technical services related to land disposition, such as architectural review, or financial, economic, or engineering analysis of development proposals
- Assisting in the production of low-, moderate-, or mixed-income rental housing units financed privately or in conjunction with the D.C. Housing Finance Agency
- Acquiring property through purchase or transfer of jurisdiction from District agencies and disposition or lease of such property appropriate for residential, commercial, or industrial development and related public uses
- Providing interim and gap financing to eligible CDCs and nonprofit organizations for development of new housing or facilities that provide services primarily for low- and moderate-income persons or financing of such development
- Undertaking other activities to eliminate slums and blight

The Housing Production Trust Fund provides financial assistance to nonprofit and for-profit developers for the planning and production of low- to moderate-income housing and related facilities on a city-wide basis. Operating as a revolving fund, using public and private funds from many sources, the program assists a wide range of housing activities dealing with all aspects of housing production and preservation, finance, and predevelopment expenses. DHCD will undertake a significant effort to identify additional sources of revenue to fund the District's Housing Production Trust Fund so that it can have an enhanced revenue base to support affordable housing production.

The Multi-family Housing Rehabilitation Program provides a source of low-cost, interim construction financing and permanent financing for the rehabilitation of residential property containing five or more units. The principal objective of the program is to stimulate and leverage private investment and financing in the rehabilitation of multi-family housing which is affordable by lower-income residents of the District. The program can assist either rental housing or lower-income cooperative housing.

### 3. Community Organization Support

A substantial component of DHCD's impact on neighborhoods is carried out through funding provided to Community Development Organizations and Community Based Organizations.

DHCD works in partnership with nonprofit Community Development Corporations (CDCs) to revitalize the neighborhoods in which they serve. Critical to the accomplishment of this goal are CDCs that demonstrate organizational competence, ability to perform, responsiveness to community needs and market demand, and ultimately, the organization's institutionalization and on-going capacity for leadership in the community. The primary vehicle to assist CDCs is the Neighborhood Development Assistance Program (NDAP), which provides core funding and administrative project/activity support to CDCs.

In keeping with the Department's mission, the goals of NDAP are to:

- Enable CDCs to be effective and have positive impact on neighborhoods through the provision of core funding support
- Empower CDCs to develop effective relationships and communication channels which benefit neighborhoods and are in support of DHCD's mission
- Promote innovative neighborhood revitalization activities and neighborhood development projects by supporting activities of established and emerging organizations
- Provide a vehicle within neighborhoods through which the community can provide input and participate in decisions impacting their community, and
- Increase the capacity of CDCs to partner with both private and public entities to produce affordable housing and to generate more effective and increased economic development activities in the City, with an emphasis on neighborhoods.

NDAP targets intensive revitalization efforts in major neighborhood, commercial corridors that have experienced economic decline and physical decay. Through the CDCs, DHCD seeks to support and strengthen existing businesses, broaden the commercial mix of stores, restaurants and services, increase the affordable housing market and make façade and infrastructure improvements.

NDAP provides funding under two (2) separate programs, NDAP I and NDAP II. The purpose of NDAP I is to provide core operating funds to organizations with established track records. However, of major significance are the projects, activities and interaction with the business and residential community, for which DHCD is providing administrative support and the associated performance/outcome. An organization's ability to perform in keeping with the terms of the agreement and to achieve established outcomes and measurable results will impact continued funding under NDAP. Under NDAP II, the major focus is capacity building, which will be measured by the ability of

organizations selected under this program to build capacity, increase self sufficiency, leverage funds, and participate in viable projects and activities within the duration of the grant. Thresholds of growth will be established for the first year and will serve as a basis for continued funding in the second year.

The Community Based Organizations Neighborhood Services Program targets stabilization efforts in major areas that have experienced residential/economic decline and physical decay. Through the Community Based Organizations (CBOs), DHCD seeks to increase the number of homeowners, create better housing opportunities, and educate residents through outreach activities promoting programs that are available to assist citizens in these efforts.

DHCD works in partnership with nonprofit CBOs to provide housing counseling services in an effort to promote homeownership and stabilize residential neighborhoods. DHCD provides administrative support for nonprofit CBOs as an investment that is intended to stimulate homeownership through programs such as the Home Purchase Assistance Program (HPAP) and the Homestead Housing Preservation Program. DHCD embraces the Neighborhood Revitalization goals of increased homeownership and neighborhood stabilization.

Critical to the implementation of these goals are the CBOs that exhibit organizational competence, ability to perform, responsiveness to community needs, and the ongoing capacity for leadership in the community. The Community Based Organizations Neighborhood Services Program is the primary vehicle to assist effective CBOs in their community revitalization and stabilization efforts. The primary goal of this program is to provide a broad range of services pertaining to housing counseling services, including program intake and community outreach, and citizen participation with an emphasis on homeownership. The overall intent of the program is to expand homeownership opportunities and, thus, stabilize neighborhoods.

#### **4. Homeless Support and Prevention**

This strategy addresses the needs of the District's dependent population, including the homeless and other special need populations (e.g., the frail elderly, chronically mentally ill, drug and alcohol abusers, and HIV infected).

In FY2002 the District's homeless and special needs housing efforts will continue to be coordinated and managed via a public-private partnership in which the Community Partnership for the Prevention of Homelessness (the Partnership) serves as the lead agency pursuant to a 5-year grant (spanning FY2000 through FY2004) from the Department of Human Services (DHS).

The Partnership, in order to carry out its work of improving the continuum of care, works within the Homeless Strategic Plan Group – a collaboration of District agency officials, homeless service providers, homeless advocates, business representatives, community-based organizations, and formerly homeless persons – that since FY2000 has been

convened and led by Carolyn N. Graham, Deputy Mayor for Children, Youth and Families. At a “Roundtable on the Homeless Continuum of Care” held on October 11, 2000 and attended by all major stakeholders in the homeless continuum of care, Deputy Mayor Graham charged DHS and the Partnership to jointly lead a renewed continuum of care planning process that would follow up on issues raised at the Roundtable.

Specifically, Deputy Mayor Graham identified six work groups and charged these workgroups with formulating functional and concrete action steps for dealing with several difficult challenges within the District’s system of care for homeless persons.

*a. Continuum of care workgroups and their charges*

The six workgroups and their respective charges are noted below. Their charges and tasks are considered ongoing and are thus referred to in the present tense. This reflects the essential fact that the planning process is a dynamic and open-ended process that will continue through this structure of workgroups and periodic meetings of all stakeholders.

- *Homeless Services: Intergovernmental Services Workgroup.* This group convenes District agencies’ homeless service coordinators and other staff with lead responsibility for homeless services and facilities, and includes the Partnership its role as lead agency for managing DHS-funded homeless services. Its charge is to work toward better distribution and coordination of District government resources to serve the homeless, to improve collaboration among District agencies and between District agencies and homeless service providers, and to review and summarize the recommendations of the other five workgroups in order to identify District government actions needed to move these recommendations forward.
- *Multi-Services Community Resource Center.* This group is developing recommendations for the creation and operation of a multi-service, public-private resource center for homeless persons and other low-income persons at risk of becoming homeless. The group is charged with recommending the optimum combination of supportive services, residential capacity, private sector involvement, and governance structure for a multi-service center that the District plans to bring on line by the end of FY2002.
- *Transformation, Improvements and Alternatives for the Federal City Shelter, Trailers and School Shelters.* This group is charged with developing short-term and long-term recommendations for transforming, improving and/or developing alternatives for the adult shelter beds located in trailers, in surplus school properties, and at the Federal City Shelter.
- *Neighborhood-based and SRO Housing.* This group’s charge is to develop recommendations for the creation of community-based transitional and permanent supportive housing for homeless adults and families, especially persons with chronic and serious disabilities who need ongoing support after leaving emergency shelters.

- *Self-sufficiency Services.* This group’s charge is to recommend individualized services for adults and families that reduce long-term dependency on shelter and promote independent and self-directed living. Its recommendations are understood as a basis for service and facilities across all levels of the Continuum of care.
- *Legislative and Legal Affairs.* This group is examining District code and regulations relevant to the governance and conduct of homeless services in order to identify and prioritize legal and regulatory issues that require clarification or action. The committee is working to resolve these issues and provide for the development of future statutory and regulatory changes necessary to support a continuum of care system and policy. Its charge includes the collection and examination of legal and regulatory “best practices” in other jurisdictions that are operating Continuum of care homeless systems.

The action steps recommended by the workgroups represent needed improvements to an existing continuum of care that has been operating since the advent of the “DC Initiative”—which was established in 1994 by a MOU between the District, HUD and the Partnership. That MOU, approved by both the Mayor and City Council, changed the District’s policy toward addressing homelessness from that of operating a system that was providing primarily emergency shelter to a continuum of care policy that provides for prevention, outreach, emergency shelter, transitional housing, permanent supportive housing, and essential supportive services providing child care, employment, health and mental health services. Moreover, it is a policy that explicitly works toward full integration of mainstream city services with the continuum of care, and that works to integrate homeless prevention and intervention efforts with city strategies to improve quality of life and economic development in the very distressed neighborhoods from which most homeless families and adults are coming before they enter shelters.

*b. Existing public continuum of care capacities*

The existing District- and Partnership-managed continuum of care for homeless persons – funded by a combination of District and federal funds – provides for the following capacities of shelter and supportive services:

- Prevention—cash assistance for 200 adults and 100 families
- Outreach—street outreach contact and services to 1,500 persons
- Year-round Shelter Hotline and van outreach/transportation
- Special Outreach Program—assists 40 chronically homeless persons to go from the street directly into housing
- Emergency Shelter – 378 low-barrier overnight shelter beds for adults
  - 1,248 24-hour, service-enriched beds for adults
  - 200 overflow beds for adults in winter season
  - 10 congregation-based shelter slots for families
  - 50 units at DC Village year-round for families
  - 123 apartment-style family shelter units
  - 32 apartment units for victims of domestic violence
  - 32 beds for unaccompanied youth

- Transitional shelter – 786 beds for adults
  - 228 apartment units for families – 2yr programs
  - 65 Community Care Grant placements for families
  - 20 Community Innkeeper placements for families
- Permanent Supportive Housing
  - 503 units for chronically mentally ill
  - 313 Shelter Plus Care units – all disabilities
  - 223 SRO housing units
- Supportive Services Only
  - 86 Child care slots
  - 1,100 Persons served with primary health care
  - 500 Employment training/search slots

*c. Planned improvements to the existing continuum of care*

In addition to continued operations of this continuum of care, the District and the Partnership are planning to move ahead with the recommendations of the six work groups. These recommendations are summarized below:

• *Homeless Services: Intergovernmental Services Workgroup*

*Recommendation #1:* Improve knowledge of and access to mainstream District agencies that provide programs and services that can assist homeless persons.

1. Update information in the District's Homeless Services brochure. DC Public Schools to publish 1,000 copies for distribution to providers and other stakeholders.
2. *Answers, Please!* will receive and maintain accurate and current information about District services for homeless people and will be trained to handle inquiries about government resources available for homeless persons.
3. DHS to hire a Homeless Coordinator who shall have principal responsibility for coordinating DHS homeless services with other District agencies and will assist providers in accessing services.
4. District agencies have designated or will designate a person to serve as "homeless services coordinator" who will provide requested information to the DHS Homeless Coordinator, serve as point of contact and trouble shooter when providers have difficulty accessing services for their clients, and serve on the Intergovernmental Services

*Recommendation #2* Creation of an intergovernmental homeless services budget planning process by the FY2003 budget cycle, with budget decision makers from all relevant agencies meeting at least quarterly to develop a coordinated interagency budget for the purpose of identifying and improving District resources that may serve to reduce homelessness.

• *Multi-Services Community Resource Center*

The general recommendation of this group is that the District develops by FY2002 at least one comprehensive "Community Resource Center" (CRC) that will provide

supportive services for homeless and other very low-income persons. The CRC will be a new organization formed by a consortium of service providers and private sector partners, governed by these groups that together with consumer representatives will make up its board, and administered by a professional staff.

Development of new residential capacity is *essential* if the Federal City Shelter is closed and that property is sold to finance the CRC, as this group and other workgroups are recommending. Moreover, new residential capacity will be needed if trailers and school-based shelters are to be replaced at some point, with the CRC seen as having a supportive role in accomplishing these objectives. Residential capacity suggested spans across all levels of the continuum of care.

Supportive services will be designed and operated in partnership with the private sector and be focused on promoting recovery, employment, independence and self-reliance. This will start with training and employment opportunities that will be available in building the CRC. The group also recommends that “plans and patterns that better establish and support independence” become the norm across all emergency shelters, with allowance made for maintaining very low-barrier shelter beds for the mentally ill.

Finally, the group recommends a transition plan that would begin in FY2001 to implement CRC core services at the Federal City Shelter and other sites, hopefully to reduce the population in emergency shelters and thus reduce the difficulty of transitioning to a continuum of care system that is likely to have fewer overall beds.

- *Transformation, Improvements and Alternatives for the Federal City Shelter, Trailers and School Shelters*

Three central recommendations are put forth by this group, followed by comments and observations about the plans for these sites as reflected in the current Strategic Plan.

*Recommendation #1 re the Federal City Shelter:* District government needs to complete necessary repairs at the facility and provide funding for case management and other supportive services for the 600-700 residents.

*Recommendation #2 re school-based shelters.* DHS should request that the Office of Property Management transfer titles to DHS for the Blair, Madison, and Emery school shelters, and the Randall School gym that has been used separately as a shelter. This would ensure that valuable and almost irreplaceable assets would continue to be available for homeless services.

*Recommendation #3 re trailer shelters:* DHS should establish ad hoc task forces composed of government representatives, the community and services providers – different task forces for each of the three trailer sites at Crummel School, on the grounds of St. Elizabeth’s on MLK Jr. Avenue SE, and at La Casa Shelter – in order to identify and secure permanent sites for replacement of the shelter beds at these sites.

- *Neighborhood-based and SRO Housing*

*Overview:* This group is looking at community-based housing options for adults and families that in the long run will reduce demand for emergency shelter and reduce the use of emergency shelter as the only “housing” available to chronically homeless persons with disabilities, many of whom are living in shelters fulltime.

The group’s recommendations reduce to the following four quantifiable objectives:

- 1) Develop *1,000 new units of special needs housing* by 2004, committing at least \$1.5 million annually in federal block grant funds (via the Consolidated Plan) and coordinating supportive services with other District agencies.
- 2) Develop *500 new units of SRO housing* that is affordable to formerly homeless adults and has a supportive management structure to help connect residents to services.
- 3) Commit \$750,000 in HOME funds annually (also via the Consolidated Plan) to *support 125 homeless families in scattered-site transitional-to-permanent housing*, coordinating with community-based support services.
- 4) Support the development of *75 units of multi-family permanent housing with supportive management* that creates supportive communities for formerly homeless families, with a special emphasis on working with faith-based organizations.

- *Self-sufficiency Services*

This group’s report offers guidance and recommendations to all other workgroups with respect to self-sufficiency programs that ought to be an integral part of any and all Continuum of Care activities. The group “Working Paper” offers other participants in the planning process a view of what works to promote self-sufficiency and some of the institutional-level and client-level barriers to self-sufficiency. The Intergovernmental Services Workgroup sees the product of the self-sufficiency workgroup as a baseline document for transforming the Continuum of Care so as to reduce dependency while at the same time recognizing that many homeless people are facing very difficult barriers to independent living.

- *Legislative and Legal Affairs*

This group’s report offers a matrix of legal and regulatory issues to be discussed and researched, the central objective being the creation of new rules that support a continuum of care policy and replace antiquated rulemaking that was designed only for the operations of emergency shelter. The Partnership is tasked to collect information on legal and legislative “best practices” from other jurisdictions so that the group can look at how others have created the legal basis for supporting a continuum of care system.

## **5. Economic and Commercial Development**

The District has adopted a strategy to create job and business opportunities for District residents as part of its effort to create and maintain healthy and viable neighborhoods. This has several benefits, including a stronger tax base, more stable neighborhoods and more income to afford increasing housing costs. An important vehicle for achieving this



strategy is to build the local neighborhood community development corporations' capacity to stimulate economic development activity in their respective service areas.

The District's community development efforts will focus on:

1. Improving the operation of the existing economic development programs within the District and negotiating with private lenders for targeted, creative financing of economic development in key geographic and marketing areas where public funds can effectively leverage private financing.
2. Marketing and developing District-owned sites that will provide key, visible "anchors" for economic revitalization and neighborhood stabilization. Targeted sites include major commercial sites such as Fort Lincoln, Columbia Heights, Anacostia Gateway and Camp Simms.
3. Expanding community development areas to include areas of economic development opportunities.
4. Assisting neighborhood based community development corporations to increase their capacity to stimulate economic development. This includes use of creative financing techniques such as community development banks and micro-loan programs.
5. Monitoring and encouraging Community Reinvestment Act financing opportunities by private lenders.
6. Stimulating the creation of small and minority businesses to serve underserved markets in the city. This will include monitoring and enforcing contracting and employment goals for District firms and residents.
7. Providing public and assisted housing residents and other low-income families (including the homeless) job training and other economic self-sufficiency support.
8. Enhancing efforts to retain and attract private sector firms in the city, including special attention to tax and regulatory provisions, which adversely impact their operation in the District.
9. Implementing Enterprise Community initiatives.

## ***B. HUD Entitlement Grant Program Budgets***

Following are the proposed budgets for the four federal entitlement grant programs included in the FY2002 Consolidated Plan.

### **CDBG Program (CD-27)**

#### **1. Homebuyer Assistance and Housing Recycling and Preservation**

a.	Home Purchase Assistance Program	\$4,504,464
b.	Homeownership Developers' (Nonprofit) Incentive Fund	197,000
c.	Homestead Housing Preservation Program	1,083,546
d.	Single-family Residential Rehabilitation Program	1,186,762
e.	Tenants Apartment Purchase Program	<u>58,000</u>
	Total Fund	\$7,029,772

#### **2. Affordable Housing Production**

a.	Construction Assistance Program	\$8,241,951
b.	Multi-Family Housing Rehabilitation Program	1,097,591
c.	Affordable Housing Production Assistance Program	400,000
d.	Housing Production Trust Fund Program	<u>375,000</u>
	Total Fund	\$10,114,542

#### **3. Community Organization Support**

a.	Neighborhood Development Assistance Program (NDAP)	\$4,764,735
b.	Community Based Organizations Neighborhood Services Pgm.	1,340,000
c.	Neighborhood Initiatives Support Program (NISP)	1,000,000
d.	Special Grants Program	140,000
e.	Community Activities and Services Support Program	<u>140,000</u>
	Total Fund	\$7,384,735

#### **4. Economic and Commercial Development**

a.	Economic Development Program	\$1,190,000
b.	Urban Renewal and Community Devel. Property Mgmt.	808,215
c.	Community Development Planning Contracts and Studies	<u>100,000</u>
	Total Fund	\$2,098,215

#### **5. General Administration and Overhead**

\$6,656,816

**Total CDBG Program** **\$33,284,080**

**HOME Program**

1. Home Purchase Assistance Program	\$ 400,000
2. Housing Production Trust Fund	500,000
3. Multi-Family Rehabilitation Program	1,925,022
4. Single-Family Rehabilitation Program	524,000
5. CHDO Program (15% set-aside)	1,148,100
6. HoFEDD (Special Need Housing)	500,000
7. Construction Assistance Program	1,951,478
8. Tenants Apartment Purchase Program	<u>300,000</u>
Program Subtotal	7,248,600
9. Program Monitoring and Administration	<u>805,400</u>
<b>Total HOME Program Fund</b>	<b>\$8,054,000</b>

**Emergency Shelter Grant (ESG) Program****Homeless Support and Prevention**

1. Emergency Shelter Grant Program	<u>830,000</u>
<b>Total Fund</b>	<b>\$830,000</b>

**Housing Opportunities for Persons  
With Aids Program (HOPWA)**

1. Housing Information Services	\$ 200,000
2. Resource Identification	0
3. Acquisition, Rehab., Conversion, Lease, and Repair of Facilities	0
4. New Construction, Dwellings and Community Residences	0
5. Project-based Rental Assistance	400,000
6. Tenant-based Rental Assistance	2,642,474
7. Short-term rent, Mortgage, and Utility Payments	300,000
8. Supportive Services	700,000
9. Operating Costs	100,000
10. Technical Assistance	100,000
11. Administrative Expenses—7% Cap	345,526
12. Administrative Expenses—Grantee 3% Off the Top	<u>261,630</u>
<b>Total HOPWA Formula Award</b>	<b>\$5,049,630</b>

### ***C. Program Descriptions***

The mission of DHCD is to strengthen District neighborhoods by facilitating the production and preservation of housing, commercial, and economic development opportunities. To accomplish this mission the department established five priority program areas in which to undertake community planning and development initiatives. Following are descriptions of the activities and programs to be undertaken during FY2002.

#### **1. Homebuyer Assistance and Housing Recycling and Preservation**

The main thrust of this initiative is to promote new homeownership and protect existing homeownership throughout most of the residential areas of the city. Homebuyer assistance is provided through the Housing Purchase Assistance Program. Homebuyer assistance is also provided through the Home Ownership Developers Incentive Fund, which helps lower the cost of certain newly constructed housing units to eligible purchasers and the Tenant's Apartment Purchase Program. The recycling of abandoned and vacant housing is provided through the Homestead Housing Preservation Program. The preservation of homeownership is provided through the Single Family Residential Rehabilitation Program and the Senior Citizen Home Repair and Improvement Program.

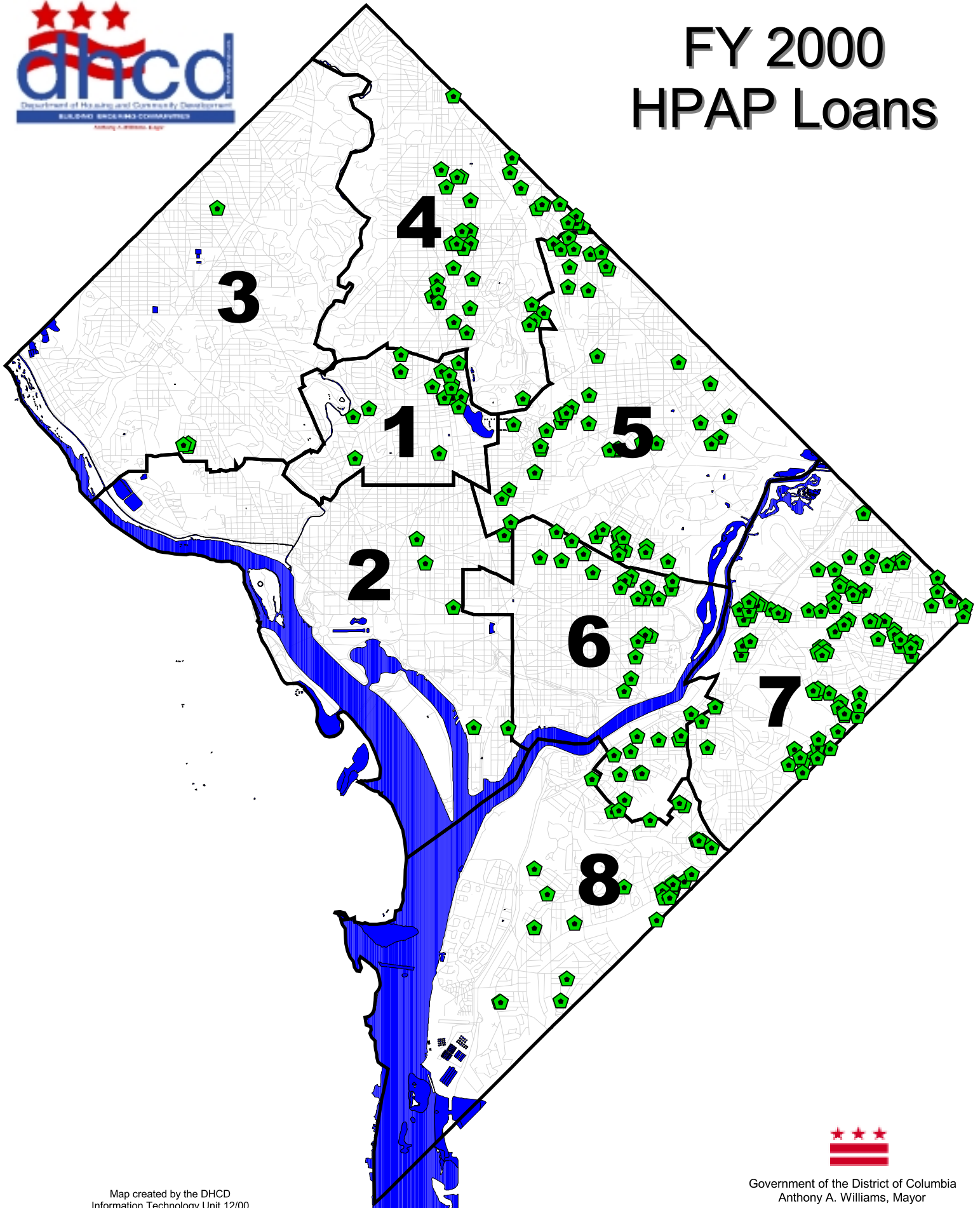
##### *a. Federal Homebuyer Assistance and Housing Recycling and Preservation Programs*

- **HOPE Housing Programs:** The U.S. Department of Housing and Urban Development (HUD) offers a variety of grant programs to public and nonprofit housing developers to encourage home ownership of public housing and housing which is publicly owned by local governments and/or obtained through foreclosure under federal insurance program. Funds provide assistance for both planning and actual development of housing affordable by lower-income households.
- **Federal Housing Administration (FHA)/Veterans Administration (VA) Insurance Programs:** HUD and VA offer mortgage insurance programs to provide private lender security for first mortgage loans for home purchasers within defined price limits.

##### *b. District Homebuyer Assistance and Housing Recycling and Preservation Programs*

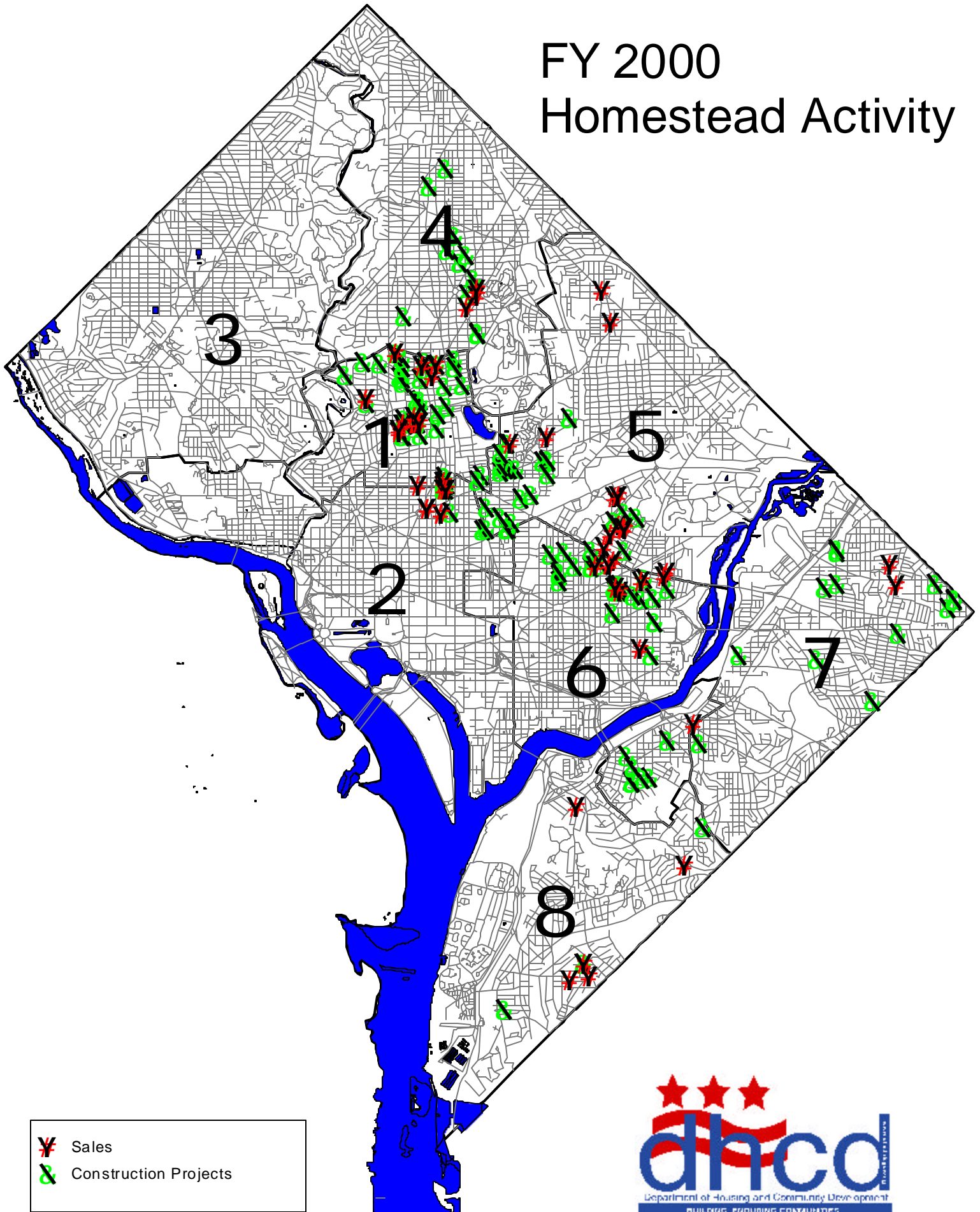
The District's five-year planning strategy strongly encourages the expansion of home ownership in the city. Home ownership lends stability to neighborhoods, encourages families to remain in the city, and supports the city's tax base. The city's efforts will be focused on providing ownership assistance as part of neighborhood improvement and stabilization activities. Specific programs in this initiative are described below:

# FY 2000 HPAP Loans



- *Home Purchase Assistance Program (HPAP)*: Provides financial assistance in the form of interest-free or low-interest loans to qualified District residents to enable them to purchase homes, condominiums or cooperatives. Qualified households who are accepted into the three-tiered program are eligible for loans to meet down payment and closing cost requirements. The amount of the loan is based on several factors including, income, household size, and the amount of assets, which each applicant has to commit toward the purchase price. The loans are subordinate to private first trust mortgages. Also included are: (1) D.C. Employer-Assisted Housing; and (2) Metropolitan Police Housing Assistance programs.
- *Home Ownership Developers Incentive Fund (HoDIF)*: Provides grants to Community Development Corporations and other nonprofit development entities to help lower the sales price of units developed by nonprofits to make them affordable by low- and moderate-income purchasers.
- *Homestead Housing Preservation Program*: Takes possession of tax delinquent real property (and, occasionally, DHCD foreclosures) and sells them to first-time homebuyers for as little as \$250 per unit. In exchange, the purchaser commits to enroll in and complete a home ownership training course, rehabilitate the property, reside in the property for a minimum of five years, and return it to the real property tax rolls. Low- and moderate-income participants receive a \$10,000 deferred mortgage to assist them with gap financing. The Homestead Program is the mechanism that the city is using to dispose of its Scattered Site properties. A preference is given to public housing residents in the disposition of these properties.
- *Single Family Residential Rehabilitation Program*: This program is a source of low-cost financing for the rehabilitation of 1-4 unit residential housing which is either owner-occupied or investor-owned and located primarily in designated Community Development Areas and Enterprise Communities within the District of Columbia. The program provides low interest, amortized loans for up to 20 years and no-interest deferred loans, depending on the financial circumstances of the borrower and the amount of rehabilitation required to correct housing code deficiencies. Additional initiatives within this program include: (1) the Weatherization/Roofing Assistance Program; (2) the Lead-Based Paint Abatement Program; and (3) the Handicapped Accessibility Improvement Program.
- *Tenant's Apartment Purchase Program*: Offers financial assistance to low- and moderate-income occupants of rental housing in the District to purchase their building when threatened with displacement because of a proposed sale of the building to a third party. It also provides technical service assistance to nonprofit organizations that provide counseling, loan packaging and other technical services to low- and moderate-income tenant groups desiring to purchase their existing units and convert them to tenant-owned cooperatives and condominiums, and provides housing management assistance to recently formed low- and moderate-income cooperatives and condo associations.

# FY 2000 Homestead Activity



- *Senior Citizen Home Repair and Improvement Program (SCHRIP)*: This program provides low cost loans/grants to elderly homeowners to make emergency home repairs needed to correct deficiencies which are a threat to their health and safety. The SCHRIP program is funded through locally appropriated money.

## 2. Affordable Housing Production

The District of Columbia is committed to increasing the quantity of affordable housing available through construction of new housing and preserving its aging housing stock. The thrust to produce affordable housing through its creation and renovation is part of an overall effort to maintain healthy and viable neighborhoods for all District residents, including segments of the population with special needs. Particularly encouraged is additional ownership housing in areas with high concentrations of lower-income and/or rental housing to bring more balance and stability to those areas. The Department supports neighborhood improvement efforts to achieve an overall positive impact on neighborhood conditions and livability. Supplemented by significant private sector financing, all of the programs in this initiative support the home ownership goal and help broaden the base of affordable housing in the District.

### *a. Federal Affordable Housing Production Programs*

- *Section 8 Existing Housing*: Provides rental subsidies to assist low-income tenants to pay the gap between what they can afford and the market rent levels of private apartments. Assistance is administered through the D.C. Housing Authority (DCHA).
- *Section 202*: Provides construction and Section 8 rental assistance subsidies in projects developed as elderly housing by nonprofit housing developers.
- *Public Housing Development*: Provides funding to local housing authorities (e.g., DCHA) for development of additional public housing units. Funding on a national level is extremely limited.
- *Public Housing Comprehensive Grant Program*: Provides funding to DCHA for repair and modernization of existing public housing units.
- *FHA Insurance Programs*: FHA mortgage insurance is available for development of multi-family rental housing to provide private lender security for first mortgage loans within defined program guidelines.
- *Low Income Housing Tax Credit Program*: Provides federal income tax credits to developers of new or rehabilitated rental housing for the production of housing affordable to low- and moderate-income persons.
- *Section 811*: Provides construction and Section 8 rental assistance subsidies in projects developed as housing for persons with disabilities (including persons with AIDS) by nonprofit housing developers.



- *Section 8 Moderate Rehabilitation (SRO)*: Provides rental subsidies for Section rental assistance in projects developed as single room occupancy (SRO) housing, primarily for homeless or special needs population. Subsidies are provided to developers through the District of Columbia Housing Authority (DCHA).
- *McKinney Housing Programs*: The “McKinney” housing programs are actually several different federal programs available to local governments and nonprofit organizations to support the development and operation of a variety of housing programs targeted at meeting the needs of homeless and other special need housing groups. These programs include:
  - Emergency Shelter Grants (ESG)
  - Housing Opportunities for Persons with AIDS (HOPWA)
  - Supportive Housing
  - Shelter Plus Care
  - Safe Havens
  - Transitional Housing
- *Section 8 Existing Housing*: Special set-asides for the homeless may be funded by HUD to provide rental subsidies to assist low-income tenants to pay the gap between what they can afford and the market rent levels of private apartments. Assistance is administered through the DCHA.
- *Federal Housing Administration (FHA) Programs*: FHA mortgage-insurance is available for development of single family and multi-family special need housing to provide private lender security for first mortgage loans within defined program guidelines.

*b. District Affordable Housing Production Programs*

DHCD Programs

- *Construction Assistance Program*: Provides for a variety of site development activities supporting the construction of residential, commercial, and industrial projects. Supported development activities include real estate and reuse appraisals, the demolition of existing structures, installation, removal, or relocation of existing public and private utilities, soil borings, grading, feasibility and marketing studies, advertising, and public hearings.
- *Multi-Family Housing Rehabilitation Program*: This program is a source of low-cost interim construction financing and permanent financing for the rehabilitation of residential property containing five or more units. In addition, the Apartment Improvement Program (AIP) provides technical assistance to rental housing development to develop comprehensive improvement plans in involving owners, renters and financial institutions in a cooperative effort to upgrade rental housing. The

Distressed Property Improvement and Tax Abatement and Incentives Programs provide tax relief and other financial incentives (e.g., deferral or forgiveness of delinquent property tax liens and water/sewer fees) to occupied rental properties where owners are willing to make property repairs and retain lower income occupancy as authorized in §§ 804 and 805 of the Rental Housing Act of 1985.

- *Affordable Housing Production Assistance Program:* This program combines into one program all of the housing production support activities of several programs, including the Community Land Acquisition Program, Property Purchase for Rehabilitation and Housing Development Program, Low-Income Housing Tax Credit, and Real Estate Appraisal Services. This program offers important supports to developers to aid in the production of affordable housing.

-Community Land Acquisition Program: Provides assistance to nonprofit land trusts to acquire land and buildings for development of low- and moderate-income housing. Title to the property is retained by the nonprofit trust with provisions for permanent dedication for use as low- and moderate-income housing.

-Property Purchase for Rehabilitation and Housing Development Program: Provides for DHCD purchase of private property (on a voluntary basis and/or through the foreclosure process) for resale for rehabilitation and housing development. Properties acquired may be deteriorated or vacant, and may be acquired in conjunction with the District's Homesteading Program.

-Low-Income Housing Tax Credit (LIHTC): Provides federal income tax credits to developers of new or rehabilitated rental housing for the production of housing affordable to low- and moderate-income persons.

-Real Estate Appraisal Services: This activity funds appraisals, title reports, and other services related to the acquisition and disposition of real property and of other programs as needed.

- *Housing Production Trust Fund:* This program provides financial assistance to nonprofit and for-profit developers for the production of low- to moderate-income housing and related facilities on a city-wide basis. Operating as a revolving fund using public and private funds from many sources, the program assists a wide range of housing activities dealing with all aspects of housing production and preservation. Housing assisted may be either rental or ownership housing.
- *Land Acquisition for Housing Development Organizations:* This program acquires property (using primarily District capital budget funds) and provides for long-term lease-back or low cost terms to private developers that produce housing for low- and moderate-income rental housing.

- *Community Housing Development Organizations (CHDO) Program:* Under the federal regulations governing the District's participation in the HOME program, 15 percent of the HOME entitlement grant is set aside to fund Community Housing Development Organization, or CHDO, activities. Development organizations must be certified by DHCD to participate in the CHDO program. Investments under this program in CHDOs are for the purpose of expanding the capacities of these nonprofit organizations to develop and manage decent and affordable housing in the District.
- *Housing Finance for the Elderly, Dependent and Disabled (HoFEDD):* Provides financing to private for profit and nonprofit applicants to develop housing, including community-based residential facilities, for households with special housing needs, including the elderly, disabled, homeless and individuals undergoing treatment for substance abuse. DHCD provides the acquisition and rehabilitation assistance in the form of deferred or amortized loans to qualified organizations for eligible activities.

#### Other District Government Agency Programs

- *Multi-Family Rental Housing Program:* Operated through the D.C. Housing Finance Agency, uses tax-free mortgage bonds to provide first trust construction and permanent financing at below market interest rates for developers of new or rehabilitated multi-family housing in the District.

### 3. Community Organization Support

The goals and objectives under this program support nonprofit community-based organizations that provide:

- comprehensive housing counseling services to low- and moderate-income households in the District;
- funding for fair housing studies and information to citizens regarding fair housing;
- specific services, such as comprehensive housing counseling, intake of applications, and community outreach and education; and
- special grant funds designed to give CDCs the ability to take a financial stake in strategic business and economic development projects in their service communities.

#### *District Community Organization Support Programs*

- *Neighborhood Development Assistance Program (NDAP):* The District government provides operational funding support for nonprofit Community Development Corporations (CDCs). The objective of the Neighborhood Development Assistance Program (NDAP) is to provide administrative assistance to CDCs to pursue neighborhood revitalization projects and neighborhood revitalization activities, with

an emphasis on job retention/creation and business and community development services.

- *Community Based Organizations Neighborhood Services Program:* This program supports nonprofit community-based organizations (CBOs) to provide comprehensive housing counseling services to low- and moderate-income households in the District, including assistance in applying for a variety of DHCD assistance programs.
- *Neighborhood Initiatives Support Program (NISP) Equity Grant Fund:* The NISP fund was created by the City Council to make available grant funds to the Community Development Neighborhood Development Assistance Program (NDAP). The program is designed to give these CDCs the ability to take a financial stake in strategic business and economic development projects in their service communities. Funds may be used for acquisition, equity, capital, and pre-development costs.
- *Special Grants Program:* Flexible funding for nonprofit/community organizations for non-brick and mortar projects (vans for community groups, seed money for new public service activity, etc.).
- *Community Activities and Services Support Program:* This program is constructed of several programs that support activities and services in the community, including the Relocation Payments and Assistance Program, Fair Housing Program, Special Disability Services Program, Community Development Planning Contracts and Program Development Studies, and Public Service Activities Small Grants Program.

-Relocation Payments and Assistance Program: Provides relocation services to all residents and businesses that are forced to relocate as a result of public actions such as community development, public works and highway programs, code enforcement, condominium and cooperative conversions, and special projects.

-Fair Housing Program: Funds the study of fair housing and promotes fair housing activities.

-Special Disability Services Program: Provides special services for disabled persons, including housing locator and referral assistance and a furniture storage program that provides for the pickup and temporary storage of furniture for low- and moderate-income disabled persons forced to move from privately owned housing.

- Community Development Planning Contracts and Program Development Studies: Provides technical consultant services, including land use planning, project feasibility studies, and environmental studies. Administrative funds may also be made available for planning and development of innovative projects and techniques to meet housing and community development needs and objectives.

-Public Service Activities Small Grants Program: Provides small grants (\$50,000 maximum) to support public service activities in the community.

#### **4. Homeless Support and Prevention**

The Emergency Shelter Grants (ESG) funds for FY2002 will be awarded to the Community Partnership for the Prevention of Homelessness to provide services and facilities within the continuum of care for homeless persons.

ESG-funded services and facilities supported will include prevention, outreach done in connection with established drop-in centers, renovation work at shelter sites and the provision of hypothermia hotline services during the hypothermia season of 2001- 2002.

- *Prevention/Emergency Assistance Grants for Families:* In partnership with the DC Emergency Assistance Fund, the Community Partnership will make emergency homeless prevention grants available for families and adults. The funds will be used to prevent the imminent eviction of families and adults from their residences in accordance with the Emergency Shelter Grant regulations regarding prevention funds.
- *Special Homeless Outreach and Hypothermia Hotline:* Grants will be made to pay the cost of outreach staff that are working with established drop-in centers and street outreach programs. These grants will allow additional homeless persons on the street to benefit from outreach services.

The Hypothermia Hotline Service is a 24-hour service that begins anew each winter (on November 1) and extends through the hypothermia season (through March 31). Vans equipped with two-way radios are dispatched throughout the city on regular routes and in response to calls to the Hypothermia Hotline. Homeless persons desiring shelter are transported to available beds. Those persons resistant to shelter are provided food, hot drinks and blankets, and monitored throughout the night.

- *Rehabilitation and Renovation:* Funds will be used for the renovations and repairs needed to create shelter alternatives for existing shelters that are scheduled to be replaced according to the strategic plan.

#### **5. Economic and Commercial Development**

The District has adopted a strategy to stimulate employment and business opportunities for residents as part of its effort to create and maintain healthy and viable neighborhoods. An important vehicle for achieving this strategy is to build the local neighborhood community development corporations' capacity to stimulate economic development activity in their respective service areas. The city's focus will be on improving its existing economic development programs and negotiating with private lenders for targeted, creative financing of economic development in key geographic and marketing areas where public funds can effectively leverage private financing. The District will also

focus on encouraging private lenders to provide financing opportunities under the Community Reinvestment Act and monitor compliance.

The District will enhance its efforts to retain businesses in and attract businesses to the city, including special attention to tax and regulatory provisions, which adversely impact their operation in the District. Targeted District-owned sites will be identified for marketing and development, thereby, providing visible “anchors” for economic revitalization and neighborhood stabilization. Also of prime importance is the creation of small and minority-owned businesses in under served markets in the city, including monitoring and enforcing local contracting and employment goals for District firms and residents.

- *Economic Development Program (Section 108 Loan Repayments)*: This program provides financial and technical assistance to new and existing businesses in economically depressed areas on a city-wide basis.
- *Urban Renewal and Community Development Property Management*: DHCD provides property management services, rent collection, and limited maintenance for properties owned by the Department and the D.C. Redevelopment Land Agency (RLA). These properties were acquired under the old urban renewal program or as part of the community development program and are pending disposition.
- *Community Development Planning Contracts and Program Development Studies*: This activity provides technical consultant services including land use planning, project feasibility studies, and environmental studies. Funds may also be made available for planning and development of innovative projects and techniques to meet housing and community development needs and objectives.

## **6. General Administration and Overhead**

Community Development Block Grant (CDBG) funds may be used to pay reasonable program administration costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under the CDBG or HOME programs.

Program administration costs includes staff and related expenditures required for overall program management, coordination, monitoring, reporting, and evaluation. Other activities eligible under this category include:

- Citizen participation costs;
- Fair housing activities;
- Indirect costs charged using an accepted cost allocation plan;
- Development of submissions or applications for Federal programs; and
- Certain costs of administering the HOME program or a Federally designated Empowerment Zone or Enterprise Community.

## **7. HOPWA Performance Plan in Support of Housing for Persons with HIV/AIDS**

### ***A. Introduction***

Although DHCD submits the Consolidated Plan application to HUD, the HOPWA formula funding award letter is established between the Department of Health (DOH) and HUD. DOH sub-grants for service provision in the District of Columbia and three suburban areas—suburban Maryland, suburban Virginia, and suburban West Virginia. Only the draft overview of the District section is submitted for review by DC residents at this time. The final document will be updated to accommodate input being collected by suburban jurisdictions. The formula allocation for the Eligible Metropolitan Statistical Area (EMSA) is \$8,721,000. The total amount allocated to the District of Columbia will be \$5,049,633. Under the Streamlined Consolidated Plan Process, this HUD formula application does not require line item budgets or budget narratives.

### ***B. HOPWA EMSA Overview***

The Metropolitan Washington DC Eligible Metropolitan Statistical Area (EMSA) includes parts of three States (Suburban Maryland, Suburban Virginia and Suburban West Virginia), the District of Columbia, 18 counties, numerous cities, urban, suburban and rural areas. The Department of Health, HIV/AIDS Administration (HAA) is the Regional Grantee and Project Sponsor for the District of Columbia. AHA sub-grants to Project Sponsors in the Suburban jurisdictions that in turn sub-contract with local service providers. Demographically, the EMSA contains ethnic, racial and linguistically diverse inner cities and sparsely populated conservative rural areas.

In Suburban Maryland, the Prince George's County Government, Department of Housing and Community Development (DHCD) is the Project Sponsor with oversight of activities in Calvert, Charles, Frederick, Montgomery, and Prince George's Counties. The Northern Virginia Regional Commission (NVRC) is the Project Sponsor for Suburban Virginia with oversight of activities in the Counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren. NVPDC's responsibility also includes the cities of Alexandria, Culpepper, Fairfax, Falls Church, Fredericksburg, Manassas and Manassas Park. In Suburban West Virginia, the Project Sponsorship is the AIDS Network of the Tri-State Area (ANTS) a non-profit community-based organization with responsibility for the Counties of Berkeley and Jefferson.

The total HOPWA formula grant for the Washington, D.C. EMSA Year 10 FY 2002 Action Plan is \$8,721,000. A formula based on the cumulative number of reported AIDS cases is used for the distribution of funds to each jurisdiction and a .4% contribution from the District of Columbia to Suburban West Virginia. The Year 10 HOPWA allocation will be distributed as follows:

DC .....	56.6%	.....	\$4,788,000	-- includes \$345,526 Administrative Cap
MD .....	24.8%	.....	\$2,097,927	-- includes \$151,396 Administrative Cap
VA .....	17.6%	.....	\$1,488,850	-- includes \$ 107,443 Administrative Cap
WVA .....	1%	.....	<u>\$ 84,593</u>	-- includes \$ 6,105 Administrative Cap
Sub-total ..	100%	.....	\$8,459,370	
<i>Regional Grantee off the top</i>			<i>\$261,630 (3%)</i>	
EMSA Total ..		.....	\$8,721,000	

The District's .4 percent contribution to West Virginia is necessary to prevent that jurisdiction from receiving less than 1 percent of the HOPWA grant. HOPWA regulations and guidance indicate that funding for the EMSA's administrative charges are limited to 10 percent (872,100) of the total grant award. Three percent (\$261,630) off the top leaves \$610,470 or 7 percent of the total award for proportional distribution of administrative dollars to the jurisdictions.

The AIDS Surveillance data reported through December 31, 1998 indicates that the EMSA has a cumulative AIDS case total of 19,842 with 8,833 currently reported as living with AIDS. Year 10 funds will be used to continue the existing client caseload and enhance capacity.

### ***C. HOPWA EMSA Grantee Policy and Priorities***

The DC Department of Health, HIV/AIDS Administration is the EMSA Grantee. The Policy and Priorities guiding the planning and implementation of HOPWA services are:

1. Establishment of a diversified housing continuum of care through program development and access to non-AIDS specific housing resources;
2. Increased participation, collaboration and leveraging with Ryan White, local DHCD Block Grant, mental health and substance abuse programs;
3. Improved reporting and client tracking;
4. Client empowerment toward self sufficiency through job training and rehabilitation;
5. Housing information and referral; and
6. All major rehabilitation, repair and acquisition projects will target local CDBG, HOME and ESG grants for funding. HOPWA funding will be used on a small scale and/or as the funding of last resort for rehabilitation, repair and acquisition projects.



### Draft Action Plan Table

<b>HOPWA Eligible Activity</b>	<b>General Location of Service Provision</b>	<b>Number of People to be Served</b>	<b>Costs</b>
1. Housing Information Services <i>24 CFR 574.300.b.1</i>	DC	1,000	\$200,000
2. Resource Identification - <i>24 CFR 574.300.b.2</i>			
3. Acquisition, Rehabilitation, Conversion, Lease, and Repair of Facilities - <i>24 CFR 574.300.b.3</i>			
4. New Construction (for single room occupancy (SRO) dwellings and Community residences - <i>24 CFR 574.300.b.4</i>			
5a. Project - based Rental Assistance - <i>24 CFR 574.300.b.5</i>	DC	400	\$400,000
5b. Tenant-based Rental Assistance - <i>24 CFR 574.300.b.5</i>	DC	220	\$2,642,474
6. Short-term rent, Mortgage, and Utility payments - <i>24 CFR 574.300.b.6</i>	DC	300	\$300,000
7. Supportive Services - <i>24 CFR 574.300.b.7</i>	DC	400	\$700,000
8. Operating Costs - <i>24 CFR 574.300.b.8</i>	DC		\$100,000
9. Technical Assistance - <i>24 CFR 574.300.b.9</i>	DC		\$100,000
10a. Admin. Expenses - 7% cap - <i>24 CFR 574.300.b.10</i>	DC		\$345,526
10b. Admin. Expenses - Grantee 3% off the top - <i>24 CFR 574.300.b.10</i>	DC		\$261,630
<b>Sub-Total for DC</b>	<b>DC</b>	<b>2,320</b>	<b>\$5,049,630</b>
Sub-Total for Suburban Maryland	MD	403	\$2,097,927
Sub-Total for Suburban Virginia	VA	1,148	\$1,488,850
Sub-Total for Suburban West Virginia	WVA	92	\$84,593
<b>Total</b>	<b>EMSA-Wide</b>	<b>3,963</b>	<b>\$8,721,000</b>

## 8. Geographic and Activity-Specific Priorities

The agency's overall objective is to better coordinate the targeting and timing of assistance within and among housing and community development agencies to maximize the leveraging impact of available funding. DHCD's CDBG and HOME programmatic funds will be strategically and geographically targeted to housing and community development assistance which reflect the District's targeted investment strategy, achieve long-term rehabilitation, and attract private investment interest wherever feasible.

For programs that provide housing assistance to lower income persons in existing standard housing which they choose themselves (e.g. Section 8 existing housing, HPAP single family home purchase program), it is not possible to dictate or steer where they may choose to live.

However, for housing assistance involving new or rehabilitated housing, there are choices among competing proposals. Although all persons should be able to choose to live in housing located in any part of the city, the city's targeting of assistance is appropriate to maximize investment potential and to show visible results. The following guidelines outline the priority considerations among otherwise equal proposals for housing assistance for lower income persons. These guidelines are used in evaluating proposals made to the city for funding and for DHCD's review of proposals for conformity with the Consolidated Plan.

DHCD's overarching goal is to implement housing and economic development initiatives that spread economic growth and affordable housing opportunities deep into under-served and distressed neighborhoods. DHCD's priority strategic investment areas will include, but will not be solely limited to:

- Capital Communities, where crime, vacant housing and the absence of retail, educational and social enrichment opportunities require long-term sustained investment;
- Emerging Growth Communities, where development momentum has been established, but where further periodic investment is needed;
- Neighborhoods abutting government centers, Metro stations and Convention Center;
- Neighborhoods in which there is a dense concentration of tax-delinquent, vacant, abandoned and underutilized housing and commercial facilities; and
- Gateways to the city, where their first impression sets the tone for one's interaction with the city.

In order to accomplish these priority activities, DHCD must be able to get transactions done quickly and cost effectively. Therefore, two prime objectives are to: (1) move housing and commercial development transactions through the agency's pipeline more expeditiously; and (2) create procedures, systems and accountability standards that will firmly establish the Department as the city's principal development vehicle for improving District neighborhoods.

These prime departmental objectives will be accomplished by focusing efforts on the fundamental basics of community development—evaluating and underwriting development proposals based on the strength of their financial underpinnings and the flow of public benefits to the citizens DHCD is obligated to serve.

## **9. Neighborhood Revitalization Strategy Areas**

### ***A. Georgia Avenue NRSA***

In 1999, an application for designation of the Georgia Avenue Corridor as a Neighborhood Revitalization Area (NRSA) was submitted to the U.S. Department of Housing and Urban Development, in conjunction with the District of Columbia Fiscal Year 2000 Consolidated Plan.

The city proposed to address economic development focussed along the almost 5-mile corridor by approaching it as a single linear neighborhood. The Georgia Avenue Corridor has a distinct identity because it is one of the major north to south transportation routes connecting Maryland to downtown D.C. The targeted area includes the 39 census blocks that abut Georgia Avenue from Florida Avenue, NW, to Eastern Avenue, NW. Portions of the lower end of the strategy area already qualified as an NRSA because of their Federal designations as Enterprise Communities.

The NRSA development strategies include job creation, housing development, employment and entrepreneurial training and infrastructure development. A combination of projects and program activities has been identified in the NRSA supporting these four categories to serve as the core tools for revitalizing the Corridor.

#### **1. Job Training And Entrepreneurial Training**

Two community development corporations (CDCs) were funded for providing services in the Georgia Avenue NRSA during fiscal year 2000. Funding was provided through the Neighborhood Development Assistance Program (NDAP) to the long established Peoples Involvement Corporation (PIC) whose service area includes the Georgia Avenue Corridor. The Gateway Georgia Avenue Revitalization Corporation (GGARC) was funded as an emerging CDC with a special focus on the upper end of Georgia Avenue at the gateway into the city. Both CDCs have been funded for implementing neighborhood development activities in fiscal year 2001.

Working in conjunction with both CDCs, the District of Columbia Chamber of Commerce opened the Georgia Avenue Business Access Center at 7408 Georgia Avenue in August 2000. The Center received \$95,000 in Community Development Block Grant (CDBG) funds through PIC to cover operational and business services expenses. More than 100 businesses have registered with the Center for services since it opened. Among its many services, the Center provides access to the Small Business Administration programs, business mentoring, and technical assistance from area universities and their School of Business students. George Washington University's graduate students are working with the Center to have groups develop marketing proposals targeted to the Georgia Avenue corridor. The Center expects the registration of businesses to exceed 200 by the end of the fiscal year 2001.

## **2. Housing Development**

During fiscal year 2000 there were 25 Single Family Rehabilitation Program projects completed. A rehabilitation workshop was sponsored by DHCD's subrecipient Housing Counseling Services in upper Georgia Avenue during the summer of 2000. The attendance was disappointing but is expected to improve when other workshops are conducted in cooler periods of 2001. During the first quarter of 2001, twentyone applications from the surrounding Wards 1 and 4 have been received.

During fiscal year 2000 the District's Housing Purchasing Assistance Program (HPAP) closed 44 loans in Ward 4 and 20 loans in Ward 1 surrounding Georgia Avenue. During fiscal year 2000 the Homestead Housing Preservation Program sold properties comprising 59 dwelling units in Wards 1 and 4. Other Homestead properties sold in previous years are at various stages of construction. The 14 unit Parkmont Condominium located just off Georgia Avenue was completed in 2000. Construction has started on the 17 unit Rittenhouse Condominium in upper Georgia Avenue and should be completed in 2002. The program staff regularly researches the tax status of blighting properties to determine eligibility for the program. It is difficult to project outputs for a particular area until later in the program cycle.

The Washington D. C. Apartment Improvement Program was funded in 2000 and is being funded for program administration in 2001. The District of Columbia Housing Finance Agency has funded the acquisition and rehabilitation of Aspen Courts, the 105 rental units located at 6650- 76 Georgia Avenue, NW . Construction should be completed by early fiscal year 2002. DHCD has approved funding for the rehabilitation of a 13 unit building at 4506 Georgia Avenue to assist low income clients with special needs. Construction should be underway in 2002.

## **3. Employment**

During the fiscal year, the D.C. Department of Employment Services (DOES) provided employment services at Upshur Street Employment Center located in the NRSA off

Georgia Avenue. The office was closed late in the summer due to a fire. The staff has been reassigned and a new location has not been established.

In response to a Notice of Funding Availability (NOFA), New Solid Rock Community Outreach Program applied for a \$45,000 public service grant to provide employment training and other community services from its NRSA location at 8<sup>th</sup> and Upshur Streets, NW

A CDC was awarded \$250,000 to support a Youth Build Program that trained 31 youths in FY 1999 and an additional 12 youths in FY 2000. The program provided classroom instruction for Graduate Equivalent Diplomas (GED), on-site construction training, leadership development and opportunities for community service.

PIC identified thirteen (13) new businesses, which were established along the Georgia Avenue corridor. Similar successes were reported in the gateway area of the NRSA where longstanding, vacant retail space was fully rented to new businesses for the first time since its construction was completed. A number of small businesses have located on or near the corridor but no major employer has moved within the NRSA to date.

#### **4. Infrastructure Improvements**

##### *a. Commercial Facades*

DHCD originally planned to assist in the improvement of 40 commercial facades within the NRSA. As the momentum grew for the revitalization of Georgia Avenue, the number of properties to be improved has been increased with a planned investment of \$678,000 in targeted blocks in lower and upper Georgia Avenue. The Office of Planning and DHCD are working together to establish criteria and finalize the appropriate process for implementation in three areas on the Avenue. It is expected that 40 facades should be underway during 2001. PIC acquired and demolished six blighted commercial properties in the 2900 block of Georgia Avenue in preparation for development of a new three story 9675 square feet commercial development.

##### *b. Streetscape Improvements*

Three commercial areas located in the lower, middle and gateway areas of Georgia Avenue were targeted for public space infrastructure improvements totaling \$1.4 million in public funds. Improvements to the locations include the addition of new globe light fixtures, banner bars, street trees, and sidewalk replacement. Installations in the gateway area are substantially complete, and construction bids have been received for the lower locations. The Department of Public Works plans to make the remaining streetscape improvements between mid fiscal year 2001 and mid fiscal year 2002.

##### *c. Parks and Recreation Improvements*

The Banneker Ball Field in lower Georgia Avenue was funded and comprehensively replaced during FY 2000. Improvements included new fencing, tracks and ball field, along with an irrigation system. Public funding was made available to the Department of Parks and Recreation for upgrading the public park at the intersection of Georgia Avenue

and Upshur Street, NW This park is heavily used due to its location at intersecting bus routes.

### ***B. Carver/Langston Terrace—Ivy City—Trinidad NRSA***

DHCD applied to HUD for the designation of the Carver/Langston Terrace-Ivy City-Trinidad (CLTICT) communities as a Neighborhood Revitalization Strategy Area (NRSA) in August 2000. The application was approved in October 2000. The CLTICT NRSA includes five census tracts defined by New York Avenue, Florida Avenue and Bladensburg Road, and includes Galludet University, the Farmers Market, as well as major residential and light industrial developments. There are 13,719 residents in about 5,780 households living within the 5 census tracts. Of these residents, 94 percent are African-American, 4 percent are white, and one percent are Hispanic (black and white). The area's median household income is \$26,116 with 23 percent of households having incomes below the poverty level.

The NRSA development strategy includes job creation, housing development, employment and entrepreneurial training, and infrastructure development. A comprehensive set of projects and programs has been developed around these four areas to serve as the core tools for revitalizing the neighborhood.

The performance measures for job creation are to create 25 new jobs each year and start 3 new businesses each year. Jobs created will help break the cycle of poverty, teach new skills and give residents to buy and maintain their homes.

The performance measures for housing and community facilities development over the NRSA period are creation of affordable/mixed-income housing units for 600 families; construction of one 80 slot day care center; construction of one birthing and well-care center for low income residents; and development of three computer learning centers.

To date, DHCD has initiated a public-private partnership agreement with HomeFree USA and Chevy Chase Bank to rehabilitate single family and multi-family units in the Trinidad-Ivy City neighborhood. The goals of the HomeFree USA/Chevy Chase Bank agreement are to rehabilitate 150 single-family homes, acquire/rehabilitate 25 vacant properties and rehabilitate 3-5 multi-family buildings of six units or less each. This HomeFree project will serve as a prototype for future neighborhood focused single and multi-family housing rehabilitation projects. HomeFree is currently proceeding with the rehabilitation of 30 single family houses and 3 vacant multi-unit buildings.

The construction of the DC Developing Families Center (birthing center) has been completed and the Center is now operating. The Center created 41 new permanent jobs. The Carver Terrace Health and Child Development Center is currently under construction and will create 14 permanent jobs from the operation of an 80 slot day care center and a health center serving 500 neighborhood residents.

Employment and entrepreneurial training performance measures include training 50 youth entrepreneurs, training 100 community residents in housing construction and lead/asbestos abatement trades. These or similar measures will be achieved through DHCD negotiations and discussions with community development corporations and community stakeholder organizations to establish a mechanism that will achieve the employment and entrepreneurial performance measures.

Infrastructure improvements performance measures include renovating two community parks in the next three years; planting a 1,000 street trees to replace missing or dead existing trees; renovating roadways at New York Avenue, Montana Avenue and other streets in the NRSA Area. The major infrastructure improvement that will have the most direct positive impact on improving transportation and pedestrian access to the NRSA Area is the construction of the new New York Avenue Metro Station that has just begun at the western edge of the Area.

Implementation of the NRSA development strategy relies on both the public and private sectors to help the neighborhood to redevelop and create new jobs, housing and amenities for the residents.

## **10. Program Monitoring**

In FY2002 DHCD plans to have completed implementation of a new computer-based management information system (MIS). DHCD is using software developed by Housing and Development Software, Inc. (HDS). The new management information system will provide project tracking, budgetary, and performance information on a regular and timely basis, so that the management of the agency's operations may be considerably improved. The first optional module to be installed with the software will be used to help manage the agency's extensive grant management system.

DHCD will continue to monitor its activities through ongoing communications with subgrantees and periodic site visits to their programs. Activities will also be monitored through periodic, but systematic, tracking of performance through HUD's Integrated Disbursement and Information System (IDIS). IDIS gives the Department the capability to assess progress of individual projects as well as each major HUD-funded program as a whole. As the HDS software becomes operational most IDIS functions will be carried out under that system. By linking budget, performance measures, and program delivery, DHCD will be able to effectively monitor its progress in carrying out the strategic plans contained in this Action Plan for FY2002.

DHCD will produce a self-evaluation of its annual performance in relation to meeting priorities and specific objectives in the form of a Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER provides a summary of the programmatic accomplishments for projects reported under the IDIS as well as additional narratives describing program milestones and accomplishments. The CAPER must be filed with HUD within 90 days (December 30<sup>th</sup>) after the close of DHCD's program year.

The tables on the following pages list the performance measures and the planned units to be delivered under the CDBG, HOME, and ESG programs under the FY2002 Action Plan.



## FY2002 CDBG Proposed Budget and Performance Measures

<b>Fund/Program</b>	<b>Total Program \$</b>	<b>Performance Measure</b>	<b>Number of Units</b>
<b>Homebuyer Assistance and Housing Recycling and Preservation</b>			
Home Purchase Assistance Program	4,228,858	First time homebuyers	170
Home Ownership Developers' Incentive Fund	197,000	Nonprofit housing provider grants	27
Homestead Housing Preservation Program	915,375	Program support contracts	3
Single-family Home Preservation Program	953,000	Houses rehabilitated	35
Tenants Apartment Purchase Program	58,000	Households assisted	4
<b>Affordable Housing Production</b>			
Construction Assistance Program	7,569,535	Number of projects	12
Multi-family Residential Rehabilitation	311,000	Housing units @ \$27.5K	11
Affordable Housing Production Assistance Program	400,000	Number of support actions completed	365
Housing Production Trust Fund Program	375,000	Housing units @ \$27.5K	14
<b>Community Organization Support</b>			
Neighborhood Development Assistance Program (NDAP)	4,100,000	Organizations funded	11-12
Community Based Organizations Neighborhood Services Program	1,340,000	Organizations funded	3-4
Neighborhood Initiatives Support Program (NISP)	1,000,000	Commercial square feet acquired	100,000
Special Grants Program	140,000	Organizations funded	4
Community Activities and Services Support Program	140,000	Number of support actions completed	5
<b>Economic and Commercial Development</b>			
Economic Development Program	1,190,000	Sec. 108 loans paid	1
Urban Renewal and Community Development Property Management	102,320	Properties maintained	95
Community Development Planning Contracts and Studies	100,000	Studies	2

## Proposed HOME and ESG FY2002 Budgets and Performance Measures

### HOME Program

	<u>Proposed \$</u>	<u>Performance Meas.</u>	<u>Units</u>
Home Purchase Assistance Pgm.	400,000	1 <sup>st</sup> time homebuyers	21
Housing Production Trust Fund	500,000	Housing units	18
Multi-family Rehabilitation Pgm.	1,925,022	Housing units	70
Single-family Rehabilitation Pgm.	524,000	Completion of roofs	20
CHDO Program (15% min. required)	1,000,000		
HoFEDD	500,000	Persons w/ special needs	18
Construction Assistance Program	1,000,000	Households	67
Tenant Purchase Technical Assistance Pgm.	<u>300,000</u>	Households & housing	600
Program Subtotal	6,149,022		
Program Monitoring and Admin.	<u>653,978</u>		
<b>Total</b>	<b>\$6,803,000</b>		

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### Emergency Shelter Grants (ESG) Program

	<u>Proposed \$</u>	<u>Performance Meas.</u>	<u>Units</u>
Emergency Assistance Grants		No. of people asstd.	450
Special Homeless Outreach & Hypothermia Hotline		No. of people asstd.	700
Rehabilitation/Renovation (emergency shelter and transitional housing)		Shelter beds	60
<b>Total</b>	<b>\$830,000</b>		

## 11. Fair Housing

### *A. Analysis of Impediments to Fair Housing*

The District of Columbia has worked to address the impediments to fair housing identified in the *1997 Draft District of Columbia Analysis of Impediments*. In order to test the immediate and short-term progress achieved by these efforts, the 1997 Analysis of Impediments has been reviewed. Through regular assessments of local and regional impediments and reports on the District's positive efforts to address those impediments, Washington residents can be ensured the opportunity to make fair housing choices free of discrimination based on race, color, religion, sex, disability, familial status, or national origin.

The Analysis of Impediments is a comprehensive review of a state's or an entitlement community's laws, regulations, administrative policies, procedures, and practices. It requires an assessment of how these laws affect the location, availability, and accessibility of housing and how private and public conditions affect fair housing choice. "Impediments" are defined as any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choice, or any action, omissions, or decisions which have the effect of restricting housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.

In 1996, Washington-area jurisdictions selected the Metropolitan Washington Council of Governments (COG) to prepare a regional fair housing plan. Eight CDBG-entitlement jurisdictions agreed to participate in a regional fair housing plan. While the U.S. Department of Housing and Urban Development (HUD) did not require the preparation of a regional plan, is strongly encouraged jurisdictions to "consult with one another and initiate metropolitan area-wide or region-wide fair housing planning." Each jurisdiction – including the District - produced a local report in cooperation with COG. DHCD charged the Fair Housing Council with undertaking the task of evaluating the impediments to fair housing in Washington in the year 2000. This section of the FY2002 Action Plan is based on the Fair Housing Council's report to the agency in December 2000. In an effort to support the previous commitment to the elimination of racial and ethnic segregation and other regional discriminatory practices in housing, this update provides a broad overview of the types of activities, plans, projects and programs that the District of Columbia has undertaken since the completion of the 1997 Analysis of Impediments. This section on Fair Housing also provides an amendment to and is incorporated into the Fair Housing component of DHCD's five-year plan, the *Consolidated Plan for the District of Columbia Fiscal Years 2001 – 2005*.

## ***B. Demographic, Economic, Racial and Ethnic Profile of the District of Columbia***

The demographic profile of the District is presented in comparison with the surrounding metropolitan area. Data from the 2000 US Census are presented whenever possible, but it must be noted that at the time of publication, the most recent census data is only available for the District of Columbia and for the Washington DC-MD-VA MSA as a whole. In order to understand the demographic profile of Washington at the ward or neighborhood level, this analysis includes complementary pre-2000 surveys and estimates from a number of sources.

### **1. Definitions**

*a. COG member jurisdictions*—Members of COG include the District of Columbia; Frederick, Montgomery, and Prince George's counties and the cities of Bowie, College Park, Frederick, Gaithersburg, Greenbelt, Rockville, and Takoma Park in Maryland; and Arlington, Fairfax, Loudoun, and Prince William counties and the cities of Alexandria, Fairfax, and Falls Church in Virginia.

*b. Washington DC-MD-VA Metropolitan Statistical Area (MSA)*—As defined by the Office of Management and Budget in 1983, the MSA extends beyond COG's membership to include the cities of Manassas and Manassas Park, Stafford County in Virginia, and Charles and Calvert counties in Maryland. HUD uses this geographic definition in determining fair market levels and other metropolitan-based assistance figures.

*c. Central or Core jurisdictions*—They are the District of Columbia, Arlington County, and the city of Alexandria.

*d. Inner suburbs*—These include Montgomery County, Prince George's County, Fairfax County, and the cities of Fairfax and Falls Church.

*e. Outer suburbs*—These are Calvert County, Charles County, Frederick County, Loudoun County, Prince William County, Stafford County, and the cities of Manassas and Manassas Park.

*f. Concentration*—Unless otherwise stated, this report follows the HUD guidelines in defining areas of concentration as those of double the regional average. For example, 37 percent of the region's population is a member of a minority group. A concentration of all minorities would be an area with more than 75 percent minority population.

*g. Linguistically isolated*—This report follows the U.S. Census in defining linguistically isolated households as those without any members who speak English well.

*h. Overcrowded*—With regard to demographic or census data, this report defines overcrowded quarters as those with more than one person per room (excluding bathrooms and kitchens).

## 2. Demographic Profile

### *a. Economic*

According to the 1999 Washington Area Housing's Annual Regional Housing Report, housing activity in the Washington area in 1997 and 1998 reached new highs, spurred by plummeting interest rates and a generally strong economy at both the regional and national levels. In the Washington area, the strengthening of the economy generated increased home sales, new home starts, and refinancing of existing homes. The number of existing home sales has steadily risen through the mid-90's, from 11,700 sales in 1995 to 14,400 sales in 1997. The overall homeownership rate has likewise increased, from 36.4 percent in 1990, to 38.2 percent in 1995, to 40.4 percent in 1996. The homeownership rate in the District remains slightly behind the surrounding jurisdictions, however, at a rate of 38.9 percent.

### *b. Population Profile by Race and Ethnicity*

The population of the District of Columbia remains one of the most diverse in the nation. According to census estimates, the District's population is 62.3 percent African-American, 34.3 percent Caucasian and three percent Asian/Pacific Islander. In addition, the District's Hispanic population is at 7.2 percent. Since 1990, the District has seen a growth in its Asian/Pacific Islander and Hispanic populations, with relative declines in the African-American and Caucasian populations. Overall, the District continues to experience a decline in population. According to estimates, the population of Washington is 519,000, a decline of 14.5 percent since 1990.

The demographic characteristics of the District contrast strongly with the surrounding MSA. The metro region's population is 25.4 percent African-American, 68.1 percent Caucasian and 6.2 percent Asian/Pacific Islander. In addition, the region's Hispanic population is 6.8 percent. A 1995 Montgomery County study found that 85 percent of the population growth in the county occurred in minority populations. Fairfax County's Demographic Bulletin reports the county's Asian and Hispanic populations have also been growing. By the year 2020, the region's population is expected to grow by more than 40 percent.

Despite the diverse and growing populations, both in the District and the entire MSA, segregated residential patterns continue to be the norm. According to the data, African-Americans remain clustered, particularly east of 16<sup>th</sup> Street in the District of Columbia, and inside the beltway in Prince George's County. As first reported in the 1997 Analysis of Impediments, Asians in the Washington region continue to be concentrated in certain neighborhoods around the region, and are often segregated amongst themselves by boundaries of ethnic and national origin.

The Hispanic population is a special case. As “Hispanic” is defined by the Census Bureau as an ethnic, rather than racial category, Hispanics can be of any race. The largest concentrations of Hispanic residents are found in Alexandria and Arlington County. However, in terms of absolute numbers, the District of Columbia and Fairfax County have the most Hispanic residents.

*c. Linguistic Isolation*

As stated in the previous Analysis of Impediments, language barriers exist in many households in our region. There continue to be an estimated 125,000 residents in households where English is not spoken very well – over 50 percent speak Spanish and over one-third speak an Asian or Pacific Island language.

*d. Population Profile by Family Status*

Nearly all of the communities in the metro region with a high percentage of female-headed households with children were located within the District and Prince George’s County. In 1996, the District had the highest number of single-headed households with children in the region, 28,031 families, 12.1 percent of all the families in the District. Prince George’s County is comparable with the District, having 35,660 single-headed households, 12.7 percent of all families in the county. These two jurisdictions bear a disproportionate share of single-parent households; the District is home to 21.11 percent of all single-parent families in the metro region while Prince George’s County is home to 26.85 percent.

Within the District, 16<sup>th</sup> Street once again serves as a socio-cultural dividing line. The overwhelming majority of neighborhoods east of 16<sup>th</sup> have rates of single-parent families of 36.1 percent or more. This evidence indicates that the majority of single-parent families are also minority families. The consequence of this fact is that the District faces the dual challenge of combating discrimination based on race and on familial status.

## ***C. Regional Income, Rental and Home Ownership Profiles***

### **1. Income Profile**

It has been observed that income is positively related to housing choice. The 2000 median family income in the District is \$33,683, compared with \$78,000 for the Washington DC-MD-VA MSA. The District’s median household income is actually below the national median of \$34,076, while the overall MSA is 61 percent higher than the national median. The District has 20.8 percent of its population below the poverty line and 36.8 percent of its children below the poverty line. This is compared with 13.8 percent of the national population under the poverty line and only 8.8 percent of the Washington MSA population in poverty. The national percentage of children living in poverty is 20.8 percent, compared with 10.8 percent regionally. The District of Columbia has the highest percentage of poor households in the metro region, while Fairfax County

has the lowest. In all but three of the 134 Census tracts with poverty rates more than double the regional average of 6.5 percent are located inside the Beltway.

According to the Census Bureau, household income varies significantly by racial and ethnic group. Minority households are generally poorer than the region's white households. Nationally, the median household income for white households was \$53,526, for African-American households \$33,434, for Asian and Pacific Islanders \$46,305, and for Hispanics \$37,923.

## **2. Renter Profile**

There is a positive correlation between the region's housing costs and income. In HUD's *The Widening Gap: New Findings on Housing Affordability in America*, it was reported that despite a period of robust economic expansion, the housing stock affordable to struggling families continues to shrink. The number of affordable rental units (the number of units affordable to households at or below 30 percent of area median income) decreased by 37,200 units, a five percent drop from 1991 to 1997. It was also reported that in 1997, for every 100 households at or below the 30 percent of median income, there were only 36 units both affordable and available for rent. There are many people in the Washington metropolitan area who have not shared in this economic expansion and are struggling to find fair housing choice and decent living conditions.

Furthermore, in 1997 and 1998, rents increased at twice the rate of general inflation. According to the latest American Housing Survey and recent data from the Bureau of Labor Statistics, rents increased 3.1 percent in 1997 while the overall Consumer Price Index (CPI) increased by only 1.6 percent. In 1998, rents increased by 3.4 percent while the overall CPI increased at 1.7 percent. The Washington region has seen a significant increase in the area's rental housing cost. In 1990, there were 542,205 rental units in the Washington area. More than 75 percent of these units had rents of more than \$500 a month; 41 percent had rents from \$500 to \$749. Rents in the District remain among the highest in the region, with an average of \$1,115 a month, according to a recent estimate.

## **3. Home Ownership Profile**

The home ownership rate in the District continues to lag behind both national and regional estimates. According to the Census Bureau, the homeownership rate in the District is 38.9 percent, as compared to 64.2 percent nationally. The home ownership gap continues to grow, as 73.2 percent of all white families in the region own homes, compared with 45.8 percent of African-American and 44.9 percent of Hispanic families. In two recent reports on racial discrimination, completed by HUD and the Association of Community Organizations for Reform Now (ACORN), it was reported that African Americans are twice as likely as whites to be denied conventional home loans. Hispanic Americans are more than one-and-a-half times more likely to be declined loans than white applicants. As previously mentioned, the number of conventional home mortgages approved each year is rising, but this growth rate is much higher for whites. Researchers found that in 1998, whites received 48 percent more conventional mortgages than they

did in 1995, compared to 22 percent more for African-Americans and 20 percent more for Hispanic Americans.

Additionally, the monthly costs of owning a home in the metropolitan area more than doubled in the 1980's. During this time, the median monthly cost in the MSA for mortgages was \$528. By 1990, the average cost had risen to \$1,145, about a third more than the national median of \$737. According to the Washington Area Housing Partnership 1996 analysis of data from the Washington area Realtors, the average price of a house sold in the Washington region was \$182,247 in both 1993 and 1994.

#### **4. Employment and Transportation Network**

According to the Urban Institute, as of June 1998, the District had 24 percent of the region's jobs, while the suburbs outside of the Capital Beltway were home to half of all regional jobs and two-thirds of all suburban jobs. Additionally, the District's share of regional employment dropped from one-third in 1990 to one-fourth in 1998. Unemployment is 6 percent in the District, while it is near 1.5 percent in places such as Fairfax County. The shift towards higher job growth in the inner and outer suburbs places greater demands on access to transportation for District job-seekers.

Not surprisingly, Washington area families spend near \$7,200 annually on transportation, ranking Washington among the most costly metropolitan areas in the country. According to a report by the Surface Transportation Policy Project, the District ranks eighth out of 26 major metropolitan areas. An average family in the region spends 15.4 percent of its household income on buying, maintaining and fueling its automobiles and on public transit. The study concludes that this amount is more than local families spend on health care, education or food!

Residents of the District face particular concerns over transportation. According to the US Census, the number of motor vehicle registrations in the District is 438 per 1000 residents; a low 44 percent rate of vehicle ownership. The extensive Metrorail and Metrobus lines enable District residents to meet their transportation needs without the ownership of motor vehicles. But when residents require regular access to the inner and outer suburbs, where Metrorail and bus lines are few or even nonexistent, the lack of vehicle ownership can be crippling.

The District has begun to take steps to address this emerging issue. In December 2000, WMATA began regular bus service from L'Enfant Plaza to Dulles International Airport. The buses run hourly, seven days a week, with a basic fair of \$1.10 each way, enabling District residents to pursue employment in the inner suburbs. The number and frequency of Washington-to-Suburb bus routes must continue to increase to meet the needs of District residents.

Another achievement of the District has been the long-anticipated completion of the Metrorail Green Line. The Metrorail system has begun to provide service to Columbia



Heights and Georgia Avenue-Petworth, and will open up five new stations south of the Anacostia River, from Congress Heights to Branch Avenue, in early 2001.

A proposed improvement to the District's transportation grid would result in the removal of the Southeast Freeway, a key regional commuter route into downtown Washington, to be replaced by a street-level boulevard for local traffic and a tunnel for through traffic. This bold proposal is intended to foster the development of a key stretch of SE Washington between Virginia Avenue and the Anacostia waterfront. This proposal is in its early stages, and much work needs to be done before it can be implemented. One important task should be the commissioning of a thorough social impact assessment to determine possible detrimental impacts such as the gentrification of the neighborhood south of the freeway and the resulting loss of access to housing for current residents.

In addition, the Department of Housing and Community Development has hired a full time staff person, a bilingual Fair Housing Coordinator, to specifically address fair housing issues in the city in general and in departmental programs in particular.

#### ***D. Impediments Identified in the 1997 Regional Analysis of Impediments and Current Efforts Undertaken by the District of Columbia to Affirmatively Further Fair Housing***

In 1997, it was identified that much of the Washington area's population was concentrated by race and ethnicity. Jurisdictions were encouraged to examine the geographical concentration of affordable housing and the geographic concentration of subsidized housing. Local governments were also urged to look at ways of considering inclusionary zoning and scattered site public housing; developing mixed-income neighborhoods; engineering strategies to effectively disperse Section 8 vouchers and certificate holders; and working more directly with neighborhood groups. Local governments were asked to examine ways to disperse affordable housing throughout their jurisdictions by looking at zoning ordinances to include higher density housing.

Housing discrimination was also highlighted in the first Analysis of Impediments as a barrier for residents to obtain affordable housing in the region. Jurisdictions were encouraged to analyze discrimination against persons with disabilities, broaden the definition of "family", research a definition of physical and mental impairment, and examine the lack of accessible housing in each jurisdiction. The 1997 Analysis of Impediments described regional discrimination against families with children, highlighted a general lack of local guidance for those families, and illustrated a lack of rental housing for large families. Jurisdictions were requested to examine the real estate, mortgage and insurance industries (through complaint data and random testing programs). By implementing a testing program, jurisdictions could better measure the level of housing rental and sales discrimination. And finally, the first Analysis of Impediments challenged jurisdictions to review their local human rights laws and consider adopting fair housing laws that are substantially equivalent in terms of protections provided to victims of housing discrimination under federal law.

Since the 1997 publication of the *Regional Analysis of Impediments*, many policies, plans, and actions have been undertaken to further fair housing in the District. The District's OHR has become substantially equivalent to federal fair housing laws because of the fair housing protections provided and its access to additional HUD resources. In order to affirmatively further fair housing in accordance with federal requirements, the DC Department of Housing and Community Development has provided \$182,000 in funding to the Office of Human Rights (OHR) and the Fair Housing Council of Greater Washington (FHCGW).

FHCGW has conducted testing of discriminatory lending and insurance practices, which resulted in the first national predatory lending case filed against a mortgage company – specifically Capitol Cities Mortgage Company. The FHCGW conducted 150 paired mortgage lending tests at the offices of 45 of the largest lenders in the Washington metropolitan region. In 61 of the tests, differential treatment favoring the white testers was documented. DHCD has also contracted with FHCGW to conduct testing of insurance companies. They found that numerous insurance companies have discriminated against Blacks and Latino applicants. The FHCGW has filed several complaints against insurance providers who were red-lining or providing discriminatory coverage for homeowner's insurance in the District of Columbia. FHCGW has filed complaints against Erie, Travelers and Prudential, while the National Fair Housing Alliance (NFHA) filed similar complaints against Liberty Mutual Insurance Companies. DHCD has supported the complaints against these insurance companies. As a result of this process, all of these companies have subsequently expanded their programs in the District, or re-entered the Washington market entirely. Liberty Mutual has led the way, dedicating \$3.5 million to provide fair access to insurance in the District.

The DC OHR is in the process of developing a fair housing plan for the District, with \$100,000 in support from HUD. The plan will develop a strategy to preserve neighborhood diversity in racially-mixed communities, and would seek to develop strategies to encourage more diversity in more homogenous neighborhoods.

In the District of Columbia, the Fair Housing Council of Greater Washington (FHCGW) has established a Partnership™ initiative with Long and Foster Realtors, Weichert Realty, W.C & A.N. Miller Realtors, Avery-Hess Realtors and Pardoe ERA. All have agreed to a policy review, comprehensive fair housing training and self-testing in conjunction with FHCGW. In 1999, the OHR wrote a letter of support to HUD's Fair Housing Initiative Program (FHIP) to further develop partnership programs.

The DHCD has provided outreach to the District's immigrant community through the FHCGW. Outreach efforts included the use of publications and other informational materials. FHCGW continues to provide immigrant community outreach activities on behalf of the District. In 1999, the OHR wrote a letter of support to HUD's FHIP program, supporting efforts by the Central American Resource Center (CARECEN) to provide fair housing outreach to the Latino community.

In FY 1998 and FY 1999, DHCD contracted with community-based organizations (CBOs) to provide a variety of housing outreach and counseling services. The designated service areas for these CBOs primarily serve minority communities.

The District has drafted legislation clarifying the definition of the “disabled” protected category that was introduced before the DC Council and was approved, after a public hearing, both by DC Council and the Mayor. Legislation is pending final approval by the DC Control Board.

The District of Columbia is participating in the Regional Opportunity Counseling Program. DHCD has sponsored education and outreach activities through FHCGW.

### **1. Rental and Sales Discrimination**

The 1997 Analysis of Impediments noted that the District had previously conducted only a single round of testing for rental and sales discrimination, and this testing occurred in 1986. The report recommended that “the District should conduct its own or contract out for testing for housing discrimination in the rental and sales market. Tests should focus on discrimination of immigrant as well as African-American households”.

Following on these recommendations, between Fiscal Years (FY) 1998-2000, the Department of Housing and Community Development (DHCD) funded the Fair Housing Council of Greater Washington (FHCGW) in the amount of \$182,000 to perform fair housing activities.

In addition, the FHCGW has embarked on a four-year project to monitor levels of housing discrimination in the Washington metropolitan area. This “Fair Housing Index”, initiated in 1997, has helped to address the need for additional testing to provide for ongoing monitoring of the housing market. The Fair Housing Index is presently completing further rounds of testing and research, and will be published in early 2001.

The 1997 Analysis of Impediments also recommended that “the District should encourage the formation of a public-private-private partnership between the Office of Human Rights, fair housing advocates, and the real estate industry.” In response, in FY 1998 and FY 1999, DHCD contracted with community-based organizations (CBOs) to provide a variety of housing outreach and counseling services. The designated service areas for these CBOs primarily serve minority communities.

Unfortunately, the incidence of discrimination in the rental and sales markets remains (unacceptably) high. The 1997 Fair Housing Index, for instance, recorded an overall 28 percent rate of discrimination in the Washington DC sales market (compared with an overall rate of 36 percent throughout the region). For African-Americans, the rate of discrimination was 20 percent (compared to a 33 percent rate in the metropolitan region), while for Hispanics, the rate of discrimination was 38 percent (compared to 42 percent regionally). While it is encouraging that the District has lower rates of discrimination

than the surrounding jurisdictions, the numbers also clearly indicate that discrimination in the sales and rental market remains a serious problem.

### *Recommendations*

The District must support testing and testing-based enforcement efforts. In addition, the District should expand its fair housing enforcement efforts, as opposed to fair employment concerns, and assist the work of local fair housing agencies. The District should assume the lead role in conducting education and outreach in Washington to inform citizens of their rights and options when faced with housing discrimination.

## **2. Disability Discrimination**

While much of the concern in housing discrimination is rightly focused on discrimination against racial and ethnic minorities, discrimination is also faced by other groups, such as people with disabilities. In 1996, the FHCGW conducted testing-based investigation into three areas of disability discrimination: differential treatment towards people with disabilities; requests for reasonable accommodations and reasonable modifications made by people with disabilities; and non-compliance with federal architectural guidelines established for new construction of multifamily rental dwellings.

In investigating differential treatments and refusal of reasonable accommodations/modifications in the Washington area rental market, the FHCGW found a 50 percent rate of discrimination against people with disabilities. In examining the level of compliance with federal guidelines for new construction, the FHCGW expected to find complete compliance, that is, a 100 percent rate of compliance. The Fair Housing Act minimum architectural guidelines that must be incorporated into the design and construction of all new multifamily housing build for first occupancy after March 13, 1991. This act therefore mandates a 100 percent rate of compliance. The testing conducted by the FHCGW found that instead the rate of compliance with new construction requirements was 0 percent; there was a 100 percent rate of non-compliance with part or all of the new construction requirements! (It must be noted that this figure does not necessarily reflect compliance rates in the District, as no new construction had occurred in Washington during the testing phase of this Index. Testing on construction in the District since 1997 needs to be conducted).

Disabled home seekers face additional obstacles when interacting with condominium and cooperative boards. In the Washington area, the FHCGW has led the effort to inform condominium and cooperative boards of their obligations to make reasonable accommodations/modifications. The unfortunate reality is that many boards fail to comply with these requirements, and in such cases are often under the mistaken belief that their organizations are exempt from the law.

### *Recommendations*

The District must take a stance of “zero tolerance” towards violations in new construction. It has now been over nine years since the passage of the guidelines; the time for a “grace period” has long since passed. The District should guide efforts to

inform condominium and cooperative boards of their fair housing obligations through training sessions, policy manuals and informational brochures. The District should provide for testing and testing-based enforcement against all violations of the protections for people with mental and physical disabilities.

### **3. Lending Discrimination**

#### *a. Predatory Lending*

The most important action taken by the District to combat lending discrimination has been the passage by the DC Council, on Dec. 5, 2000, of the update of the city's 99-year-old foreclosure law. The new law's intended effect is to eliminate the practice of "predatory lending" in the District. Among the practices banned are loans to borrowers with insufficient ability to repay; "flipping", or repeated financing; credit insurance financed upfront in a loan; "unusual and unconscionable" charges; and loans with fees "substantially greater" than the borrower could qualify for based on credit scores. Lenders violating the law would be liable for triple damages and could be forced to make the homeowner whole.

The impetus for this important bill is the case of Capital Cities Mortgage Corp., whom, according to a Washington Post analysis, foreclosed on one of every five mortgages issued from 1984 to 1995. The majority of properties involved were located in predominantly black Washington neighborhoods. In response to the Capital Cities case, the District in 1996 adopted a law licensing mortgage lenders and brokers. The predatory lending law provides another layer of protection for minority, elderly and poor homeowners. (Further action against the egregious and unconscionable practices of Capital Cities was taken by the FHCGW, who spearheaded efforts to bring civil action against the company).

This law provides some of the strongest protections in the nation, perhaps second only to North Carolina. There are some provisions in the law of concern, however. To begin with, the law is limited to refinancings below a \$275,000 threshold. New mortgages, and refinancings above \$275,000 are exempt. In addition, the bill allows lenders with a net worth of \$10 million or more to submit higher-cost loan programs to the mayor. Those found not to include predatory provisions would be exempt from later challenges from homeowners. Another amendment provides a broad exemption for all loans purchased by Fannie Mae and Freddie Mac on the secondary mortgage market. Finally, the law also strips homeowners of the long-established right to have a hearing before eviction resulting from a foreclosure. The loss of this right is offset by new provisions that require five notices to homeowners, including one hand delivery, before foreclosure. In addition, all foreclosure sales must be audited.

#### *Recommendations*

The District can and should take pro-active steps to prevent predatory practices before they occur. The District should investigate ways to document predatory practices other than by reliance purely on Home Mortgage Disclosure Act (HMDA) data. HMDA data is gathered after-the-fact, and is thus of limited utility in preventing predatory practices.

Instead, the District should attempt alternative policies such as mandating routine audits of lenders operating in Washington.

The DC government should outline and maintain a list of strict standards by which lenders can petition for an exception to the foreclosure law. To assist in this process, the District should request regulatory guidance from the proper federal agencies. The petition process needs to be transparent as well, allowing all stakeholders the opportunity to voice any concerns over whether specific loan programs contain predatory provisions.

The DC government should consider a review of the lending practices of Fannie Mae and Freddie Mac to determine if their blanket exemption is warranted, and must be willing to remove this exemption if their findings determine otherwise. These institutions have issued a list of lending practices that would keep them from buying loans from banks and other lenders. This set of standards must be evaluated in light of the protections offered by the foreclosure law, and the degree to which Fannie and Freddie comply with their own standards must be measured as well. The DC government should investigate the impact of Fannie and Freddie's entrance into the "sub-prime" lending market, with a special concern for its impact on the overall mission of these institutions. In addition, both of these institutions have recently come under scrutiny for lending to minorities at rates significantly lower than other lenders. The District should be concerned not only with predatory lending from Fannie and Freddie, but with all potential incidents of lending discrimination, such as product steering, questionable underwriting guidelines and red-lining. It can be argued, for instance, that Fannie and Freddie's failure to enter the market in minority communities has created the vacuum that has been filled by sub-prime and predatory lenders.

*b. The Dual Lending Market*

The segregation of communities in the District is paralleled by a segregation in access to credit. For predominantly white neighborhoods, there is abundant access to loans from prime lenders. For predominantly black neighborhoods, there is scarce access to loans from prime lenders, but ample access to monies from sub-prime lenders. In effect, the red-lining of minority communities by the prime lenders leaves these communities vulnerable to sub-prime and predatory lenders. The result is a dual lending market in the District.

Data provided from the Home Mortgage Disclosure Act (HMDA) illustrates this process. An analysis of 1998 HMDA data, conducted by the National Community Reinvestment Coalition (NCRC) shows that borrowers living in substantially minority census tracts in Washington are almost 25 times more likely to receive a sub-prime loan to refinance their home than borrowers living in substantially white parts of the city.

For the top five prime refinance lenders in Washington, the NCRC analysis found that these lenders made 71 percent of their loans to white applicants, while making just 13 percent of their loans to black applicants. Conversely, the top five sub-prime refinance lenders in the District made 67 percent of their loans to black applicants. In addition, the top five sub-prime lenders issued only 4 percent of their conventional refinance loans

in substantially white census tracts, but an overwhelming 95 percent of all such loans in substantially minority neighborhoods.

This pattern of red-lining by prime lenders is driven by factors of race, rather than income. The NCRC analysis also shows that in 1998, these lenders made 11 percent of their conventional refinance loans to middle-income white applicants, while making just 2.5 percent of such loans to middle-income black applicants. It is difficult to argue that the only loans suitable for these middle-income black applicants are sub-prime loans.

The findings from testing-based research on mortgage practices lends credence to allegations of discrimination in the lending market. According to a 1998 audit of mortgage lending conducted by the FHCGW, there is a rate of discrimination of 41 percent in the Washington area. African-Americans are likely to be discriminated against 37 percent of the time, while Hispanics are likely to be discriminated against 48 percent of the time. The findings from this audit project led to civil action against NationsBanc/Bank of America, the end result of which is that Bank of America has dedicated itself to combating discriminatory practices.

#### *Recommendations*

The dual lending market must be combated on two fronts. The first front is the battle against both unnecessary sub-prime lending practices and predatory lending. In addition to the much-needed foreclosure law mentioned previously, the District must take steps to educate its citizens about the nature of sub-prime lending, as well as all their options for financing. The goal of these efforts should be to insure that applicants for all home loans who qualify at prime rates must be provided with prime loans, leaving sub-prime lending for those who are unable to qualify for alternative sources of financing.

The second front is the battle against red-lining in minority communities. It is the practice of red-lining that forces minorities into sub-prime and predatory loans due to their lack of options for financing. By testing lenders, and engaging in enforcement actions based on testing, it is possible to combat both sides of the dual market.

#### *c. Credit Scoring*

Credit scoring has emerged as the industry's most touted tool to predict risk. Credit scoring has been extolled as a valuable decision/support tool by many lenders in the mortgage lending and insurance industries. Nevertheless, this system of scoring risk has generated an abundance of controversy among advocates and financial institutions. The basic controversy stems from what is used to generate the score, and whether there is actuarial data to support the use of scoring. The use of race, ethnicity or any other protected category as a factor in determining a credit score is a serious violation of the Fair Housing Act.

An additional concern is that credit scoring may violate the Fair Housing Act due to its disparate impact on minority communities. In other words, even if the scoring process is determined to be grounded in "objective" actuarial data, if the end result is that minority populations are disproportionately ranked lower than whites, then the resulting higher

refusal rates for minorities *would be as much a violation of the law as intentional red-lining!*

#### *Recommendations*

The District should continue its efforts to protect credit-seekers through legislation that clarifies the proper role of credit scoring in the lending process. Such legislation should re-affirm the primacy of equal housing opportunity concerns over all elements of the lending process. In order to facilitate these efforts, it is recommended that the District investigate the role of credit scoring in the lending market in order to determine if: a) the credit scores are based on biased or unbiased standards, including protected categories, and b) that the use of credit scoring does or does not have a disparate impact on minority populations. One additional aspect of such an investigation would be the question of whether the mere fact of an individual's residing in the District has an adverse effect on his/her credit score, as opposed to individuals residing in the surrounding communities.

### **4. Insurance Discrimination**

The 1997 Analysis of Impediments reported that "age restrictions and housing value limitations that restrict access to the most desirable policies have a significant and disproportionately adverse effect on minority communities," and that "policies that have and adverse impact on minority communities have been and are currently being challenged under the Fair Housing Act as violations of the law". This work the challenge discriminatory insurance practices continue. Such practices, such as placing age restriction on houses 30 years old or older, can be difficult to challenge as discriminatory when the lenders claim their decision was made out of business necessity. Fortunately, or unfortunately, many discriminatory practices by lenders are more direct.

In 1999, the FHCGW published its audit of race and national origin discrimination in the rental insurance marketplace. This testing-based research found a 45 percent rate of discrimination against minorities in the insurance market. This rate was consistent for both African-American (45 percent) and Hispanic populations (44 percent). The most frequent disparities were in the coverage amounts offered, discounts offered and discussion of additional insurance products. As a result of this testing, the FHCGW initiated HUD complaints against Prudential Insurance and Erie Insurance, NFHA filed suit against Liberty Mutual, and both FHCGW and NFHA brought action against Travelers/Citigroup, all for red-lining the District. The outcome of these actions has been that Prudential, Travelers and Erie Insurance have all since re-entered the DC marketplace (the complaint against Erie Insurance was later dropped), but only as a direct result of the testing and enforcement program.

#### *Recommendations*

The progress made in reversing insurance red-lining must be nurtured. Testing and enforcement actions have proven an effective tool in combating discriminatory practices. It is recommended that the District provide for further testing and enforcement actions, either directly or through a contracting entity.



The District should also consider the adoption of measures similar to the recently-proposed Credit Opportunity Amendments Act in Congress, H.R. 190, which mandates “Each regulated financial institution shall prepare and make available to the public at each office of such institution where deposits are accepted a written description of the lending programs and other activities of the institution which are designed to enhance the availability of credit in the community, including low- and moderate-income neighborhoods, served by the institution.” The increased reportage of, and access to, lending data will greatly enhance the District’s ability to combat red-lining.

In addition, it is recommended that the District government use its good offices to pro-actively seek out insurance agencies and encourage them to enter the DC market. A thorough market research study of the untapped insurance market in the District would greatly facilitate such an effort.

### **5. Overburdened Office of Human Rights**

The 1997 Analysis of Impediments noted three primary impediments to the work of the OHR: the lack of substantial equivalency, a backlog in the investigative process and the lack of funding for testing. The most important accomplishment of the OHR since the 1997 Analysis of Impediments has been the establishment of substantial equivalency. As a result of this achievement, the OHR is eligible for funding under the HUD Fair Housing Assistance Program (FHAP). The intent of this funding is “to build a coordinated intergovernmental enforcement effort to further fair housing and to encourage the agencies to assume a greater share of the responsibility for the administration and enforcement of their housing laws and ordinances.” This approach, in light of regional fair housing planning initiatives in the metropolitan DC area, is to be applauded.

The staff size of the OHR is currently 12, up from a staff of seven at the time of the 1997 Analysis of Impediments, but still well short of the staff of 21 in 1985. The staff has one intake officer and three investigators. These numbers remain below the optimum required for a well-functioning office of human rights.

Testing and private enforcement activities have been conducted in the District. As mentioned above, the District has funded the Fair Housing Council of Greater Washington (FHCGW) in the amount of \$182,000 to perform fair housing activities, including testing. The testing programs enabled by these funds have allowed for a more complete understanding of the nature and extent of discrimination in housing issues.

#### *Recommendations*

The District government needs to allocate additional funding to provide for additional intake and investigation staff. The existing staff, and any additional staff, needs to be further trained in fair housing issues. OHR staff members must develop the expertise to investigate the fair housing complaints referred to it from HUD, given its substantially equivalent status.

The District should continue its strong level of commitment to fair housing testing and maintain its funding for such projects. The OHR also needs to conduct a major public

education and outreach effort in order to inform District citizens of their fair housing rights, as well of the existence of the OHR and its role in combating housing discrimination.

Finally, the OHR needs to develop a strategic plan for fair housing activities in the District, including proposed courses of action and expected outcomes. Such a plan would help OHR better organize its resources to conduct the above actions.

The HUD Washington field office also requires additional resources. The HUD field office has only two investigators on its staff. In order to manage its workload, the majority of cases filed with HUD are passed on to field offices in Baltimore and Philadelphia. The Washington office needs the funding and staffing appropriate to an office in one of the largest metropolitan areas in the nation.

## **6. Inadequate Affordable Housing**

The 1997 Analysis of Impediments reported that “most of the District’s affordable housing, both assisted and unassisted, is located east of 16<sup>th</sup> Street, contributing to the racial and socio-economic segregation of the city.” The Analysis of Impediments recommended that efforts to improve the supply of affordable housing “should take place in a neighborhood context, focusing not just on the renovation of units but on creating viable and sustainable neighborhoods.” In other words, the issue of affordable housing concerns not just the availability of housing, but also its location. The maldistribution of affordable housing both reflects and renews the dual problems of segregation and gentrification.

### *a. Unassisted Affordable Housing*

The District’s need for affordable housing is met by a combination of unassisted and assisted housing. Of the two types of housing, unassisted affordable housing is by far the larger amount of housing stock; the best means of addressing the lack of affordable housing is to increase the amount of unassisted affordable housing stock. According to the 1999 American Housing Survey produced by the US Census Bureau, there are 36,726 housing units available for rent in the District. Of these units, 29,100 – an overwhelming 79 percent - receive no subsidy of any kind. Of these unsubsidized units, only 910 report falling under the District’s rent control provisions – an astonishingly low 3 percent!

A major concern over unassisted affordable housing is the very definition of “affordable”. The US Department of Housing and Urban Development (HUD) sets a “fair market rent” amount as the basis for its rental subsidies; this number is commonly used as one of the measures for the price of affordable housing in general. In March 2000, HUD set the fair market rent in the District at \$840 per month for a two-bedroom unit. This amount can be contrasted with the Cost of Living Index data, which indicates that the average rent in Washington is currently \$1,115 – a quite substantial difference of \$275 per month.

The other “rule of thumb” in determining a fair market rent is HUD’s estimation that a household should only apply 30 of their income towards rent. To meet the fair market rate of \$840/month, a household would require an income of \$33,600 or more. To meet the COLI rate of \$1,115/month, a household would require an income of \$44,600. The US Census Bureau indicates that in 1995 (the most recent year available), the median household income in the District was \$33,682. From this information, we can see that HUD’s fair market standard is directly related to the median household income in the District. Unfortunately, the true standard should be based on the *actual costs of rents* in the District. If it were to adjust to this standard, HUD would recognize that the availability of affordable housing is much lower than currently estimated.

The lack of affordable housing is a direct consequence of the increase in the costs of housing, both in the District and the entire metropolitan area. One key impact of this process is the gentrification of key neighborhoods within Washington. As rents rise in predominantly white neighborhoods, many people are forced to look elsewhere to find affordable housing. Thus, when rents in areas like Cleveland Park or Georgetown become prohibitive, white renters have relocated to Capitol Hill, Dupont Circle and Adams-Morgan. This trend continues, more recently with the communities of U Street, Logan Circle and Mt. Pleasant becoming the “new frontiers” for white renters and homeowners, all as a result of increasing housing costs throughout the area.

The District’s commendable community and neighborhood development efforts have had the unintended consequence of speeding up the process of gentrification. The opening of the Metrorail Green Line station in Columbia Heights has brought important benefits to the community, but it has also brought speculation in the local real estate market. The Mayor’s efforts in March 1999 to crack down on substandard housing in Columbia Heights – which primarily victimizes immigrant groups – resulted in the eviction of long-time residents and their potential displacement out of their community of choice. While the immediate problem of concern to these tenants was resolved in their favor (including the transfer of two apartment buildings into tenant ownership), the larger issue remains a serious concern.

The influx of new ethnic groups into previously ethnically homogenous communities would be a positive step towards diversity in the District. Unfortunately, the influx of new groups has accompanied rent increases (often at substantial levels) in the gentrifying communities, forcing out long-term residents, mostly minorities and vulnerable groups. Instead of diversifying neighborhoods, gentrification leads to a simple re-drawing of the pre-existing lines of segregation. As a result, the next ten years may see the “16<sup>th</sup> Street” boundary shifted to a “12<sup>th</sup> Street boundary”, further marginalizing the African-American community.

The concept of an affordable rent thus varies depending on the income level of different communities. For the white community, Capitol Hill is now a site of affordable housing, while the increasing costs of living remove much of the housing stock in Capitol Hill out of the range of affordability for the African-American community. Therefore, there is a direct relationship between disparities in income levels and disparities in housing choices.

Affordable housing is also a major concern for single-family households. According to an analysis preformed by the Brookings Institution, “in 1997, the median household income for a married couple with children was \$51,681, for a single father \$36,634, and for a single mother \$23,040.” Furthermore, approximately 19 percent of all households with children in the region were headed by single mothers. Finally, 47 percent of the District’s families were single-mother families.

One solution to the demand for affordable housing is the increase of the housing stock through new construction. Between 1990-1996, the District authorized 1,383 building permits for new private housing units. This figure represents only .5 percent of the total housing stock in the District, as opposed to the 11.7 percent of housing stock throughout the Washington MSA which came from new construction. The absolute numbers of new housing must be increased in the District, as well as the relative numbers of affordable new housing. Unfortunately, the majority of new housing is rented or sold at current market rates, which are above the HUD fair market standards.

New housing construction must include new affordable housing. A successful case of affordable housing construction is the recent ground-breaking for 147 new townhouses for low- and moderate-income households, carried out by the Washington Interfaith Network. The Washington Interfaith Network, with support from Mayor Williams, has established the goal of building 1,000 affordable homes.

New construction of affordable housing must also be distributed evenly throughout the District. If affordable housing is only build east of the 16<sup>th</sup> Street divide, it will serve to perpetuate segregation in the District. The current resistance to the construction of a mid-rise apartment building in Cleveland Park demonstrates the difficulties faced in locating affordable housing in high-income neighborhoods.

### *Recommendations*

While the importance of unassisted affordable housing is well recognized, the sheer scale of the problem is not. The District should take steps to determine the actual extent of need for affordable housing, based on the realities of the housing market and the costs of living in Washington, rather than on the HUD fair market standard, which does not reflect the realities of the housing market. The District should furthermore evaluate the needs for affordable housing of particular communities, such as African-Americans, immigrant populations and single-family households. The District should examine the linkages between the need for affordable housing and the dual process of gentrification and segregation.

The District should promote mixed-income construction, providing affordable housing for all income levels. The District should foster the public-private partnerships that can generate new construction of affordable housing. The Washington Interfaith Network efforts are financed through \$2.5 million from the Network, \$3.7 million from the District, \$1 million from the federal government and \$500,000 in no-interest construction loans from Riggs National Bank. The District also donated land for use by WIN. This

effort needs to be applauded, and held up as a standard for further efforts to provide affordable housing. The District should work to place new affordable and mixed-income housing throughout Washington, both in high-income neighborhoods and in mixed-income neighborhoods where gentrification is threatening to drive out community diversity.

The promotion and maintenance of diverse communities in the face of increasing gentrification can be supported through a testing program. The testing of transitional neighborhoods would serve both to document the incidence of discrimination and to combat it.

*b. Assisted Affordable Housing*

The provision of assisted affordable housing, through public housing or Section 8 programs, remains unable to meet the overwhelming need for affordable housing. The number of families on waiting lists for assisted housing continues to grow. According to HUD, between 1998 and 1999, the District had 11,317 families on the waiting list for public housing, an increase of 24 percent, and 19,279 families on the waiting list for section 8, an increase of 29 percent. The growth in families requesting assistance increases the waiting time for these services. In the District, the waiting time for access to public housing is up to five years, while the wait for Section 8 assistance is up to eight years.

In addition, the future holds the possibility of less access to Section 8 housing, not more. The increases in the market value of housing within the Washington area rewards private owners who opt out of the Section 8 program. Nationwide, almost 13,000 units were lost in 1998 alone due to opt-outs as owners quit the project-based Section 8 program in search of higher, market-rate rents. Once again, HUD's fair market rate is set lower than the real prices of the District's tight housing market.

*Recommendations*

It must be noted that HUD determines the fair market rent level on a metropolitan-wide basis, including jurisdictions as far away as Stafford and Fauquier counties in its calculations. Local jurisdictions are able to apply to HUD for an exception to fair market rent for certain more expensive neighborhoods or even on a jurisdiction-wide basis. The City of Rockville has recently completed this process, obtaining exception rents for parts of its jurisdiction. The District should follow the example of Rockville and apply for **two** fair market rate adjustments: one based on the costs of living within Washington as a whole, and another for the more expensive neighborhoods east of 16<sup>th</sup> Street. The latter measure, if approved, would provide access for African-American and other vulnerable groups to neighborhoods that remain predominantly white.

The District should also work to maintain its rolls of landlords who accept Section 8 vouchers, and recruit new landlords into the program. Such an effort may be more effective in neighborhoods that remain poverty-stricken, where the HUD rates are closer to free market rates. The District should encourage recruitment in these areas in order to provide for assisted housing to more families, but it must also work to open up access to

areas of Washington that are middle- and high-income as well. The District's fair housing laws provide for protection based on source of income; the District should utilize testing to determine if Section 8 certificate and voucher holders face discrimination on this basis.

## **7. Inadequate Housing Services for Immigrant Populations**

Immigrant populations in the District continue to be affected by the lack of affordable housing and affordable housing programs, both because they have not been in the system for the same length of time as other recipients of social services and housing aids (because of some programmatic stipulations for citizenship or permanent US residency) and because of a lack of bilingual materials and personnel to adequately service immigrant communities, such as Latinos, Asians, Africans and Indians. These communities, which are linguistically, socially and politically isolated, are especially vulnerable to unscrupulous landlords, who continue to violate District statutes by providing grossly substandard housing. A particular striking case revolving around substandard housing in Columbia Heights was discussed in the previous section on affordable housing.

Two of the most prominent immigrant communities in the District are the Hispanic and Asian communities. According to the US Census, Hispanics make up 6.9 percent of the District population, and Asians make up 3 percent. The District's Hispanic community continues to be composed of many low-income households with low rates of homeownership.

### *Recommendations*

The District should continue to make efforts to provide housing opportunities to its substantial immigrant community. Increased participation in public and assisted housing programs by Hispanic and Asian/Pacific Islander households is one way of assisting this community and helping to integrate public and assisted housing complexes at least among different minority households. The continued use of testing for national origin status is another important method. The District should also direct its fair housing initiatives towards public education and outreach efforts aimed at isolated and vulnerable immigrant groups. The provision of bilingual services is essential to such an effort.

## **8. Disparate Impact of Environmental Hazards**

### *a. Lead-based Paint*

Lead-based paint, and its potential for lead poisoning, remains a serious problem in the District. The use of lead-based paint was banned in 1978, however 95 percent of the District's housing stock was built before 1978. Additionally, 56 percent of the District's housing stock was built before 1950. Currently, the District provides for free testing of a house or apartment if any children under the age of six reside there. While the District's Lead Poisoning Prevention Division does not pay for the removal of lead-based paint, it does offer a grant program that gives property owners up to \$18,000 for this task. Currently, the District does not require the mandatory removal of lead-based paint by

landlords, provided that all painted surfaces remain intact and in good condition (no chipping, peeling or flaking paint, or friction surfaces with lead paint).

The legislation introduced in June 2000 by Mayor Williams represents a pro-active attempt to address the issues of lead poisoning. The bill, which would apply to residential rental properties, foster care homes, child care facilities and schools built before 1978, would require property owners to perform comprehensive annual visual inspections of all painted surfaces. If paint is deteriorating, the owner must stabilize the paint and provide for dust and soil lead tests after such work is completed. Additionally, the bill would require lead-hazard reduction measures when a tenant moves into an apartment. It would create a fund to finance lead-hazard control activities and pay for temporary housing for families of poisoned children, and a 15-member commission to study the law's impact.

Whether this particular law, or some revised version is ultimately passed, the District should mandate funds for the investigation and inspection of multi-family units with lead paint, to ascertain whether the paint is in good condition, or whether mitigation efforts are required. The District should follow the example set by HUD and utilize information on homes where children have been poisoned to take legal actions against landlords who have violated lead-paint disclosure laws. The District also should continue its efforts to inform both tenants and landlords of the dangers of lead poisoning and the services provided by the District.

*b. Brownfields*

The District Council and Mayor Williams have recently taken strong action to promote the clean-up and development of Washington's brownfields. Brownfields are industrial and commercial sites that are abandoned or underused because of real or perceived contamination. Brownfields are potentially valuable community resources whose redevelopment can bring important benefits to economically depressed communities. Since the District was never a center for heavy industry, it fortunately does not contain any of the severely contaminated sites registered under the 1980 federal Superfund law. Instead, District brownfields are "mildly" contaminated by commercial pollutants and chemical spills from light industry use, including hazards such as lead, arsenic and perchloroethylene (perc), a dry-cleaning solvent that may cause liver, kidney and central nervous system damage.

The District Council passed a bill on Dec. 5 to set up a voluntary cleanup program for brownfields. The bill authorizes the mayor to propose property and business-income tax credits of up to 100 percent of cleanup costs and 25 percent of redevelopment costs, and to defer or forgive other fees and costs, including delinquent property taxes. It also authorizes the creation of tax-exempt Environmental Savings Accounts to accumulate cleanup and redevelopment funds, and of a Clean Land Fund to award grants and low-interest loans for environmental assessment, cleanup and redevelopment.

The District has taken several bold steps to clean up and develop abandoned brownfields. Among current efforts are: a 14.5-acre city vehicle-impoundment lot on Brentwood Road

NE, the expected site of commercial retailers; a seven-acre site at New York and Florida avenues NE, the planned headquarters of the US Bureau of Alcohol, Tobacco and Firearms; the 55-acre Southeast Federal Center, which may potentially be used as a site for the US Dept. of Transportation; and Poplar Point, a tract along the Anacostia waterfront owned mostly by the federal government and contaminated by past pesticide use at the former greenhouses of the Architect of the Capitol.

*c. Environmental Racism*

An area of increasing concern among minority and vulnerable communities is environmental racism, the notion that the environmental impacts of a variety of public and private facilities has a disproportionate effect on these groups. Often, industrial sites, which are a leading source of pollution, are located in minority or economically-disadvantaged communities. The response to environmental racism is a call to locate potentially polluting sites equally across the District, and to take equal measures to mitigate against harmful results.

According to a report by the Clean Air Task Force, 1,140 Washington area residents die prematurely each year due to long-term exposure to soot emitted by power plant smokestacks. The greater Washington has eight plants that burn coal, oil or natural gas – five in Maryland, two in Virginia and one in the District. Most of the plants burn coal, which generates the most soot. Throughout the nation, plants such as these are closest to low-income areas, which receive the greatest amount of exposure. Concerns over airborne emissions and other hazards has led to opposition over the proposed placement of a trash transfer station in Ward 8.

It must be recognized that environmental racism may be more a result of “disparate impact” rather than “direct intent”, although this does not excuse the practice. The communities west of 16<sup>th</sup> Street are more affluent, and thus possess more economic and political advantages, than neighborhoods to the east. Thus, these communities have been better able to resist controversial projects. The proposed telecommunications tower in the Tenleytown neighborhood has met with strong and organized resistance. If the proposal is denied, then it is possible that the tower will be relocated to a neighborhood that is less able to represent its concerns before the District government.

*Recommendations*

The District should perform a full environmental impact assessment for each proposed project, including the aforementioned trash transfer station and telecommunications tower, to investigate the environmental risks to surrounding communities. In addition, the District should mandate a social impact assessment for such projects as well, with particular focus on concerns over environmental racism and compliance with the Fair Housing Act. The District must also work to combat unwarranted fears about environmental hazards that lead to the NIMBY syndrome and perpetuate the unequal distribution of exposure to environmental risks.



## 9. Insufficient Allocation of CDBG Monies

The 1997 Analysis of Impediments advised that “although the competing demands for limited dollars is increasing, given the large minority population in the District and the lack of racially integrated neighborhoods, the District should reassess its support and funding for fair housing activities”. The DHCD responded immediately to this challenge, providing for \$182,000 between 1998 and 2000 to the FHCGW to perform fair housing activities, including education, outreach and testing. The 1997 Analysis of Impediments additionally recommended initiatives to “identify public-private partnerships to achieve fair housing goals”. One leading public-private initiative is the Fair Housing Partnership™ program of the FHCGW, which has brought local real estate firms such as Long and Foster Realtors, Weichert Realty, W.C & A.N. Miller Realtors, Avery-Hess Realtors and Pardoe-Pardoe Graham Real Estate into the effort to eradicate housing discrimination.

### *Recommendation*

The DHCD needs to remain firm in its commitment to affirmatively furthering fair housing, and should annually dedicate CDBG monies towards this effort. The DHCD needs to dramatically increase its level of funding for testing programs; unfortunately, an average of \$50,000 annually is insufficient to meet the testing needs in the District. The DHCD could benefit from inquiries into complementary funding sources to assist in funding fair housing activities. The DHCD should also lead the way in seeking out public-private initiatives to achieve fair housing goals.

## 10. Implementation of Zoning and Housing Codes

The 1997 Analysis of Impediments recommended a comprehensive series of measures to ensure equal protection for the rights of disabled persons. The report advised that “the District should eliminate its radius restrictions but should conduct an in-depth study of where facilities are currently located and try to work with nonprofit providers to identify sites in neighborhoods with few or no facilities. The District should not impose a moratorium on the development of group homes. The District should reform its zoning process to ensure that housing for persons with disabilities are treated in the same way as housing for non-disabled persons.”

Restrictions on group homes fall under the aegis of the Fair Housing Act. The courts have upheld the rights of the disabled and others, and have led the way for reforms of local zoning ordinances. The District has made good faith efforts to meet its legal requirements and has re-written its zoning provisions to place them in compliance with the Fair Housing Act.

### *Recommendations*

The underlying cause of conflict between group homes, existing and proposed, and local communities is the “not-in-my-back-yard” syndrome, which in itself is the result of stereotyped notions and misplaced fears. The District should take steps to undermine these root causes through a comprehensive public education and outreach effort. The proper time to address these concerns is not when a proposed facility faces public

hearings, but long before a crisis arises, when two-way communication and mutual understanding is still a possibility.

Educational efforts to combat the NIMBY syndrome are part and parcel of a more comprehensive program to support facilities for disabled persons. The District should make every effort to assist new and future facilities that wish to open in Washington, providing for technical guidance, assistance with site selection and maintaining a supportive environment.

### ***E. Conclusion***

The goal of the Impediments Analysis is to open new doors for its residents, allowing them to choose from a variety of housing opportunities by eliminating intended and unintended barriers to fair housing choice. Since the publication of the 1997 Analysis of Impediments, the District has taken great strides to improve equal access to housing opportunities. The District has achieved substantial equivalency with HUD, and is now able to receive fair housing complaints referred to it from HUD.

The District has responded to the call from the 1997 Analysis of Impediments for updated and thorough testing of discrimination in Washington. The use of testing, both by public and private institutions, within the District and in the metro area, has proven invaluable in detecting the actual incidence of discrimination in many aspects of housing: rental housing, housing sales, mortgage practices and insurance practices. Testing-based investigations also enable local jurisdictions to pursue enforcement actions, not only to punish egregious offenders, but also to spur violators to correct their mistakes and take action to affirmatively further fair housing.

The District has also undertaken new and innovative approaches to address a variety of concerns. Among these exciting initiatives are: the revisions of the District's foreclosure laws to help combat predatory lending; the efforts to clean up and redevelop brownfields as viable commercial and residential sites; the completion of the Metrorail's Green Line, centered on previously-underserved communities in NE and SE Washington; and the developing of new affordable housing for low- and middle-income families. The District should be proud of these efforts, which place the District at the vanguard of efforts to affirmatively further fair housing.

[Note: Copies of the full report from the Fair Housing Council, titled, *District of Columbia Fair Housing Analysis of Impediments Year 2000*, may be obtained from the office of the DHCD Fair Housing Coordinator.]

## 12. Certifications

### General Certifications

In accordance with the applicable statutes and regulations governing the Housing and Community Development Plan regulations, the District of Columbia Government hereby makes the following certifications:

Affirmatively Furthering Fair Housing - The District hereby certifies that it will affirmatively further fair housing.

Anti-Displacement and Relocation Plan - The District of Columbia Government hereby certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan that, in the case of any such displacement in connection with any activity assisted with funds provided the CDBG or HOME programs, requires the same actions and provides the same rights as required and provided under Section 104(d) of the Housing and Community Development Act of 1974 in the event of displacement in connection with a development project assisted under Section 106 or 119 of such Act.

Drug Free Workplace - The District of Columbia Government will provide a drug-free workplace by:

1. Publishing a statement notifying such employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violations of each prohibition;
2. Establishing an ongoing drug-free awareness program to inform such employees about:
  - (a) The dangers of drug abuse in the workplace;
  - (b) The grantee's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation and employee assistance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Providing all employees engaged in performance of the grant with a copy of the statement required by subparagraph 1 of this clause;

4. Notifying such employees in writing in the statement required by subparagraph 1 of this clause that as a condition of continued employment on this grant, the employee will:
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of the employee's conviction for a criminal drug statute for a violation occurring in the workplace not later than five (5) calendar days after such conviction.
5. Notifying the Contracting Officer in writing within ten (10) calendar days after receiving notice under subdivision 4(b) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
6. Within thirty (30) calendar days after receiving notice under subdivision 4(b) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
  - (a) Taking appropriate personnel action against such employee up to and including termination; or
  - (b) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement or other appropriate agency.
7. Making a good faith effort to maintain a drug-free workplace through implementation of subparagraphs 1 through 6 of this clause.

The grantee, if an individual, agrees by award of the grant or acceptance of a purchase order, to not engage in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in the performance of this grant.

In addition to other remedies available to the Government, the grantee's failure to comply with these requirements may, pursuant to FAR 23,506, render the grantee subject to suspension of grant payments, termination of the grant for default, and suspension or debarment.

Anti-lobbying - The District of Columbia Government hereby certifies that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any reason for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making

of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, loan, loan or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and.
3. It will require that Anti-Lobbying language be included in the award documents for all standards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; the jurisdiction is in compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms, if required by that part.

Authority of Jurisdiction - The District of Columbia Government hereby certifies that the Consolidated Plan for the 2001-2005 period is authorized under local law and the District of Columbia Government possesses the legal authority to carry out the programs for which it is seeking funding in accordance with applicable HUD regulations.

Its governing body has duly adopted or passed as an official act, a resolution, motion or similar action authorizing the person identified as the official representative of the grantee to submit the Consolidated Plan and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the grantee to act in connection with the submission of the Consolidated Plan and to provide such additional information as may be required.

Prior to submission of its Consolidated Plan to HUD, the grantee has:

1. Met the citizen participation requirements of Section 570.301(b);
2. Prepared its Consolidated Plan of housing and community development objectives and projected use of funds in accordance with Section 570.301 and made it available to the public.

Consistency with the Plan - The District of Columbia Government hereby certifies that the housing activities to be under taken with CDBG, HOME, ESG and HOPWA funds are consistent with the strategic plan.

Acquisition and Relocation - The District of Columbia Government hereby certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR Part 24.

Section 3 - The District of Columbia Government certifies that it will comply with Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135.

By: \_\_\_\_\_ Date: August 15, 2001

Milton J. Bailey  
Director  
Department of Housing and  
Community Development

## **Community Development Block Grant Program Certifications**

In accordance with the applicable statutes and regulations governing the Housing and Community Development Plan regulations, the District of Columbia Government hereby makes the following certifications:

### Citizen Participation

The District of Columbia Government hereby certifies it is following a detailed citizen participation plan which:

1. Provides for and encourages citizen participation, with particular emphasis on participation by persons of low- and moderate-income who are residents of slum and blighted areas and of areas in which funds are proposed to be used, and provides for participation of residents in low- and moderate-income neighborhoods as defined by the local jurisdictions;
2. Provides citizens with reasonable and timely access to local meetings, information and records relating to the grantee's proposed use of funds, as required by the regulations of the Secretary, and relating to the actual use of funds under the Act;
3. Provides for technical assistance to groups representative of persons of low- and moderate-income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
4. Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
5. Provides for a timely written answer to written complaints and grievances, with 15 working days where practicable; and
6. Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

Community Development Plan - The District of Columbia Government hereby certifies that this consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG Program, as described in 24 CFR 570.2.

Current Plan - The District of Columbia Government hereby certifies that it is following a current Consolidated Plan that was approved by HUD in September, 1995.

Fund Usage - The District of Columbia Government hereby certifies that it has complied with the following criteria:

1. With respect to activities expected to be assisted with CDBG funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight.
2. The aggregate use of CDBG funds, including section 108 guaranteed loans, during a period of three specific consecutive program years, shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons; and
3. The District of Columbia Government will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvement. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force - The District of Columbia Government has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy enforcing applicable State and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-Discrimination Laws - The District of Columbia Government hereby certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), the Fair Housing Act (42 U.S.C. 3601 - 3619), and implementing regulations.



Compliance with Lead-Based Paint Procedures - The District of Columbia Government hereby certifies that its notification, inspection, testing, and abatement procedures concerning lead-based paint will comply with the requirements of 24 CFR 570.608.

Compliance with Laws - The District of Columbia Government hereby certifies that it will comply with applicable laws.

By: \_\_\_\_\_ Date: August 15, 2001

Milton J. Bailey  
Director  
Department of Housing and  
Community Development

## Home Program Certifications

In accordance with applicable statutes and regulations governing the Housing and Community Development Plan regulations, the District of Columbia Government hereby certifies that:

1. Tenant-based rental assistance is an essential element of the Consolidated Plan for expanding the supply of affordability and availability of decent, safe, and sanitary housing;
2. It is using and will use HOME funds for eligible activities and costs as described in 24 CFR 92.205 through 92.209; and
3. Prior to committing funds to a project, it will evaluate the project in accordance with guidelines it has adopted and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

By: \_\_\_\_\_ Date: August 15, 2001

Milton J. Bailey  
Director  
Department of Housing and  
Community Development

## **Emergency Shelter Grant (ESG) Program Certifications**

In accordance with the applicable statutes and regulations governing the Housing and Community Development Plan regulations, the District of Columbia Government hereby certifies that:

1. In the case of assistance involving major rehabilitation or conversion, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;
2. In the case of assistance involving rehabilitation less than that covered under paragraph 1 of this section, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;
3. In the case of assistance involving essential services (including but not limited to employment, health, drug abuse, or education) or maintenance, operation, insurance, utilities and furnishings, the applicant will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;
4. Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;
5. It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, and local, and private assistance available for such individuals;
6. It will obtain matching amounts required under Section 576.71 of this title;
7. It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;
8. To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in

constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

9. It is following a current HUD-approved Consolidated Plan.

By: \_\_\_\_\_ Date: August 15, 2001

Milton J. Bailey

Director

Department of Housing and

Community Development

## **Housing Opportunities for Persons with AIDS (HOPWA) Program Certification**

In accordance with the applicable statutes and regulations governing the Housing and Community Development Plan regulations, the District of Columbia Government hereby certifies that:

1. Activities funded under the program will meet urgent needs that are not being met by available public and private sources; and
2. Any building or structure assisted under that program shall be operated for the purpose specified in the plan:
  - (a) For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility; or
  - (b) For a period of not less than three years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

By: \_\_\_\_\_ Date: August 15, 2001

Milton J. Bailey  
Director  
Department of Housing and  
Community Development

## **Appendices**

### **Appendix A: Description of Consolidated Plan Programs**

### **Appendix B: Council of the District of Columbia Approval Resolution**

### **Appendix C: Citizen Participation**

## Appendix A:

### Description of Consolidated Plan Programs

#### Community Development Block Grant (CDBG) Program

The CDBG program provides the District with the opportunity to develop viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income (family income does not exceed 50 percent of the median income for the area) and moderate-income (family income does exceed 80 percent of the median income for the area) persons. Specific activities that may be undertaken with CDBG funds are set forth in Section 105 of Title I of the Housing and Community Development Act of 1974, as amended, and in HUD's implementing regulations (Title 24 CFR 570). The types of activities that may be undertaken with CDBG funds include:

1. acquisition of real property;
2. acquisition, construction, or installation of certain public facilities;
3. code enforcement;
4. clearance, demolition, removal, and rehabilitation of buildings;
5. removal of architectural barriers;
6. provision of certain public services;
7. payment of the cost of completing urban renewal projects;
8. relocation assistance;
9. planning activities;
10. administrative costs associated with the implementation of the CDBG program;
11. provision of micro-enterprise related activities;
12. economic development activities carried out by public, private nonprofit, or for profit entities; and
13. grants and loans to community based organizations to carry out neighborhood revitalization, community economic development, or energy conservation projects.

Each eligible activity to be undertaken with CDBG funds also must meet at least one of the national objectives of Title I in accordance with criteria established by HUD. These objectives include benefiting low- and moderate-income persons, aiding in the prevention or elimination of slums or blight, or meeting needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community. In addition, not less than 70 percent of the CDBG funds received by the District must be used for activities that benefit low- and moderate-income persons.

### **HOME Investment Partnerships (HOME) Program**

The purpose of the HOME program is to expand the supply of decent, safe, sanitary, and affordable housing with primary attention to rental housing, for very low-income (family income more than 30 percent but less than 50 percent of the median family income for the area) and low-income (family income does not exceed 50 percent of the median family income for the area) persons. The following types of major activities can be funded under the HOME program:

1. substantial rehabilitation (defined as costs in excess of \$25,000 per unit) or moderate rehabilitation of existing housing for very low- and low-income persons (mixed income housing is allowed, but use of HOME funds is limited to very low- and low-income units);
2. new construction of housing, provided that the specific development proposed is cost effective, meets important neighborhood improvement objectives, or meets special needs most easily accomplished through new construction (such as single room occupancy housing or housing for persons with disabilities);
3. acquisition of existing housing (with or without rehabilitation) or land for new housing construction to provide affordable housing;
4. demolition, relocation, site improvements, and soft costs directly related to the rehabilitation or construction of eligible housing;
5. assistance for first time home purchases by eligible persons either in conjunction with rehabilitated or newly constructed housing or existing housing; and,
6. tenant based rental assistance to increase the supply of affordable housing to very low- and low-income families in the District of Columbia.

These types of housing activities may be used to support either rental or owner-occupied housing. Assistance may take the form of equity investment, interest bearing or noninterest bearing loans, deferred payment loans, or interest subsidies. Grant assistance will be considered only as a last resort based on special justification for grant assistance. All assistance is subject to federal HOME regulations (Title 24 CFR 92).

### **Emergency Shelter Grants (ESG) Program**

The ESG program is designed to improve the quality of existing emergency shelters for the homeless, help make available additional shelters, help meet the costs of operating emergency shelters, and provide certain essential social services to homeless individuals. Authorization for the ESG program is contained in subtitle B of Title IV of the Stewart B. McKinney Homeless Assistance Act of 1987. ESG funds may be used for one or more of the following activities:

1. renovation, major rehabilitation or conversion of buildings for use as emergency shelters for the homeless;



2. provision of essential services;
3. payment of maintenance, operation, insurance, utilities, and furnishings; and
4. development and implementation of homeless prevention activities.

### **Housing Opportunities for Persons with AIDS (HOPWA) Program**

The HOPWA program is authorized by the AIDS Housing Opportunity Act, as amended by the Housing and Community Development Act of 1992. The program is designed to provide localities with resources to devise long term comprehensive strategies for meeting the housing needs of persons with AIDS or related diseases and their families. HOPWA funds may be utilized to assist all forms of housing designed to prevent homelessness including emergency housing, shared housing arrangements, apartments, single room occupancy (SRO) dwellings, and community residences. Appropriate supportive services must be provided as part of HOPWA assisted housing. Eligible activities include:

1. housing information services;
2. acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and supportive services;
3. new construction (SRO dwellings and community residences);
4. project-based or tenant-based rental assistance;
5. short-term rent, mortgage, and utility payments to prevent the homelessness of the tenant or mortgagee of a dwelling;
6. supportive services including, but not limited to, health, mental health, drug and alcohol abuse treatment, and nutritional services;
7. operating costs for housing; and,
8. technical assistance in establishing and operating a community residence.

## **Appendix B:**

### **Council of the District of Columbia Approval Resolution**

- **PR 14-XXX, Action Plan for the District of Columbia,  
FY2002, Approval Resolution of 2001**

## **Appendix C:**

### **Citizen Participation**

- **Summary of Citizen Participation Plan Process**
- **Chronology of Events**
- **Citizens' Public Hearing Comments**

## Summary of Citizen Participation Plan Process

Citizens were encouraged to participate in the development of the *Consolidated Plan for the District of Columbia FY2002 Action Plan*. DHCD undertook specific outreach efforts to inform District residents, particularly low- and moderate-income residents, and interested community based organizations and development organizations about the programs included in the Consolidated Plan and to solicit their input in developing the Plan prior to its submission to HUD.

The Public is informed about the Consolidated Plan process through the *Program Development Guidelines*. The *Guidelines* provide information on the programs included in the Consolidated Plan, approximations of program funding levels, and proposed scheduling. Copies of the *Guidelines* are made available at least 2 weeks prior to the public hearing at all public libraries, all Advisory Neighborhood Commission offices, selected community based organization offices, and DHCD headquarters.

During the Plan's annual preparation cycle two types of public hearings are held—needs assessment hearings and proposed budget hearings. A needs assessment public hearing was held in the community on Monday, October 16, 2000 at Hine Junior High School, 335 8<sup>th</sup> Street, SE. The hearing was attended by 75 people and testimony was presented by 23 citizens. One written statement was also received after the hearing.

The proposed budget hearing is scheduled for Thursday, February 22, 2001 at the DHCD offices at 801 North Capitol Street, NE.

Broad-based participation at the hearings was facilitated through the provision of sign language and Spanish language interpreters. Diverse attendance was promoted through advertising hearing notices in various media sources, including the *Washington Post*, the *Afro-American*, *El Tiempo*, *The Blade*, and the *D.C. Register*. In addition, roughly 1,000 hearing notices were mailed to Advisory Neighborhood Commissioners, civic association officers, officials of community based organizations, churches, and other interested parties. Meeting notices were published and distributed at least 2 weeks prior to the public hearings.

Senior DHCD staff were present at the public hearings to take the direct testimony of witnesses on housing and community development needs in the city as well as on program performance in the current and prior years. Court reporters were provided and a written transcript was produced.

Subsequently, taking into consideration analytical data and testimony presented by citizens, senior staff, through a series of meetings, proposed a consolidated program budget for the upcoming fiscal year. The proposed Action Plan and budget are revised and submitted by the Mayor to the City Council for approval. After review and approval

by the City Council, the final proposed Action Plan and budget for FY2002 is submitted to HUD by August 15, 2001.

## **Chronology of Events**

### **2000**

- October 5 Notice of “Needs Assessment” Public Hearing and copies of Program Guidelines delivered to residents, Public Library branches, ANC offices, CBOs, CDCs, and civic organizations
- October 16 “Community Needs” Public Hearing held at Hine Junior High School
- October 23 Closing date for receipt of written statements from needs assessment Public Hearing

### **2001**

- February 8 Notice of “Budget” Public Hearing and copies of draft FY2002 Action Plan delivered to residents, Public Library branches, ANC offices, CBOs, CDCs, and civic associations
- February 22 “Budget” Public Hearing scheduled to be held at DHCD office, 801 North Capitol Street, NE, 9<sup>th</sup> Floor Boardroom
- August 15 FY2002 Action Plan scheduled to be submitted to HUD

## Summary of Citizens' Public Hearing Comments

**“Housing and Community Development Needs in the District of Columbia”  
Hine Junior High School, 335 8<sup>th</sup> Street, S.E., Washington, DC  
Monday, October 16, 2000**

<p>Bob Moore Columbia Heights</p>	<ul style="list-style-type: none"> <li>• The Action Plan for 2002 can be a real opportunity for DHCD to chart a new course responsive to the emerging housing and economic development issues of the millennium. Local government and the Department will be failed with a tale of two neighborhoods in the coming year, one tale will be neighborhoods where public investment has leveraged significant private investment with economic circumstances created that threaten the preservation of affordable rental and home ownership housing and the maintenance of a multi-cultural and economically diverse neighborhood. The other tale may be one of a continuing economic distress being experience by neighborhood across the river in Wards 7 &amp; 8.</li> <li>• The Action Plan must a document that identifies with emerging and continuing problems with an administrative organization appropriately structured and funded to make fundamental progress on a much needed ambitious agenda.</li> <li>• It would be wise to fund early this year a program development effort to identify sources of capital, creative financing mechanisms and to build a technical assistance capacity to make deals work.</li> <li>• Programs such as single family rehabilitation loans and grants should be adjusted to respond to the dynamic of a changing neighborhood with priority given to low and moderate income housing preservation in areas of need.</li> </ul>
<p>Herman Walker North Capitol Area Business Association</p>	<ul style="list-style-type: none"> <li>• We recommend that you look at including under the Housing Assistance Program the IDA Program where there are dollars in the federal government where we could take and leverage DHCD dollars to get additional dollars to support home purchase assistance.</li> <li>• The Department needs to provide additional support to business associations for small business in the community. We think that the support that the Department provides now is very minimal and we think there should be some strong effort there.</li> <li>• We believe the North Capitol area in the next year or so, with the tax base increase, with high technology that's taking place in our area, that we would be able to put together legislation to support a full blown neighborhood BIP within the next year with the support of the Department.</li> </ul>
<p>Jessie Price President/D.C. Mental Health Consumers League</p>	<ul style="list-style-type: none"> <li>• For more than eight years, I have been in the status of independent living in my own apartment. Independent living gives a sense of dignity, pride and self-esteem. We are asking DHCD to support consumers who what to enter the mainstream housing market.</li> </ul>

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Nancy Lieberman President/Corners tone	<ul style="list-style-type: none"> <li>• There must be coordination at very high levels of District agencies (Housing Authority, DHCD, CMHS, HFA), it needs to involve sharing of information, availability of subsidies, low interest financing, shared databases with appropriate access.</li> <li>• More housing dollars need to be allocated to housing for those with special needs and I think we need to be careful, as others have said. Service needs are different, but I think we can get ourselves in a box by saying special needs housing is different if that precludes that housing form dollars from those populations.</li> <li>• The timetable for the award of grants and loans must be shortened.</li> <li>• In order for private sector banks and other financial institutions to finance housing, any affiliated contracts for services must be long-term, renewable and guaranteed.</li> <li>• The District should continue to promote public/private partnerships increasing leveraging, encouraging innovation, and making funds available for model programs.</li> <li>• The District needs a consistent monitoring program of its housing inventory.</li> </ul>
Jim Schulman Sustainable Communities Initiatives	<ul style="list-style-type: none"> <li>• We'd like to encourage DHCD to partner with the Sustainable Communities Initiative for the deconstruction and demolition of building in the District. The program has been successful in training community residents whom when on to start their own demolition/deconstruction business call "Dream Team Deconstruction".</li> <li>• We know DHCD is involved in the demolition of the former Children's Receiving Home in Ivy City on the behalf of D.C. Department of Corrections in order to build a new youth detention facility in a location where recreational and community needs are much more appropriate and demanded by residents.</li> </ul>
Dorthia Austin Ivy City Resource Center	<ul style="list-style-type: none"> <li>• We in Ivy City and in Trinidad are very badly in need of housing. We have people that are physically disabled who all of their check goes toward rent. They cannot afford to pay anything else but rent. I'm here to testify that if you are in agreement with us and the community, we seriously need your help with these low income housing.</li> </ul>
Neil Feldman Institute for Local Self Reliance	<ul style="list-style-type: none"> <li>• We have been finding that there's very little coordination with DHCD with regard to Ivy City, Trinidad and the other two communities, specifically we find that it's almost impossible to talk to people who run the Homestead Program, despite the fact that the city owns a great many abandoned properties.</li> <li>• We've developed a few properties, all of which we've had to buy on the open market, had abandoned home been turned over to us, we could have rehabilitated five and six times more with the quarter of a million dollars we raised. The money could have than stayed in the community as a revolving loan fund.</li> <li>• We have a very good track record with the Housing Authority and we would like to start a dialogue so that your programs, which are ambitious and we support can be made relevant in the community. At this point we see a gap between the intention of your programs and the actual connect with people on the street.</li> </ul>

**“Housing and Community Development Needs in the District of Columbia”  
Hine Junior High School, 335 8<sup>th</sup> Street, SE, Washington, DC  
Monday, October 16, 2000**

Cardell Shelton Ward 8 Resident	<ul style="list-style-type: none"> <li>Mr. Shelton expressed displeasure with the activity of the Anacostia Economic Development Corporation and the East of the River Corporation. His belief is that these organizations have contributed little to the community nor have they hired any Ward 8 residents.</li> <li>According to Mr. Shelton, all of the Capitol Improvement contracts not one has been awarded to an African Americans in the city with a Public Works contract.</li> <li>Mr. Shelton also stated there is a problem with the Anacostia Gateway, which has been inactive for two years. He suggested the land could be used for parking lot for entertainment purposes.</li> </ul>
George Rothaman President/MA NNA	<ul style="list-style-type: none"> <li>There is a shortage of decent affordable housing, we need to focus on lower income families whose participation in our economic prosperity has not matched the general public's, whose income, while increasing, cannot match increase in real estate values. DHCD existing HPAP homestead and homeownership programs work well and foster affordable home ownership, they deserve high priority and increased funding.</li> <li>We need to create legislation or establish a program, which protects elderly and low-income homeowners in gentrifying areas from rapidly increasing real estate taxes and concomitant displacement as a result of escalating real estate values.</li> <li>DHCD should not forget about the use of grants and subsidies in its polices to achieve the affordable housing goals. Government's role is to fill the gap when the market cannot. If it acts only like a bank, except offering concessionary rates, it will fail the city.</li> <li>We support regulations, which protect people, sometimes the consequences are not thought out and work against other objectives. The recently enacted regulations regarding lead paint may be laudable, but there appears to be no mechanism to increase funding for affordable housing developers to offset the cost of compliance.</li> </ul>
Mike Dinkin University Legal Services	<ul style="list-style-type: none"> <li>HPAP is a great program, however there is never enough money, \$4.5 million dollars sounds like a lot of money, but when you divide it by the average loan application, it's not a lot of units around the city.</li> <li>Another important piece, which has not been mentioned, is housing counseling. Tenant purchase technical assistance and housing counseling have remained flat or actually been cut over the last three years and I would ask this committee to look at that as you go into the future.</li> </ul>
Shoshua Robinson Citizen	<ul style="list-style-type: none"> <li>Affordable housing, as the majority of testimony has already stated, is crucial. I noticed that HUD and some other of the developers had good ideas for affordable housing, but I cannot see how it's helping people in a timely manner.</li> <li>I see no timely affordable housing for low income and I feel that developers for the most part care little about the comfort of the people and more about putting dollars in their pockets.</li> </ul>
Mary Jackson Ward 7 Resident	<ul style="list-style-type: none"> <li>I'm here to encourage the Agency to buy into the Enterprise Community. The only money we receive is through HUD which was a one time grant of \$ 1.3 million dollars which was divided amongst three sections of the city in three different wards at \$9000,000 each tag.</li> </ul>



**“Housing and Community Development Needs in the District of Columbia”  
Hine Junior High School, 335 8<sup>th</sup> Street, SE, Washington, DC  
Monday, October 16, 2000**

Con't Mary Jackson Ward 7 Resident	<ul style="list-style-type: none"> <li>I would like to see that you all take some of these funds, if not for our program use it for housings because affordable housing here as everyone has indicated is a major problem in the city.</li> </ul>
Statement of Renee Bowser of the D.C. Coalition for Housing Justice, as read by Linda Leeks, Washington Inner City Self Help (WISH)	<ul style="list-style-type: none"> <li>Seventy-one percent of the District's housing stock was built before 1959. Fifty-four percent of the stock is rental housing and fifteen percent of those units require extensive repairs. Over 13,000 housing code complaints are received each year, underscoring the housing crisis in the city.</li> <li>Funding for HPAP and the Single Family Rehab programs should be significantly increased, as both programs are key instruments in creating and maintaining viable neighborhoods.</li> <li>DHCD should also increase funding for the Senior Citizen Home Repair &amp; Improvement Program so that senior homeowners will know about and can take advantage of this program. DHCD needs to better market all of its programs through public service announcements in various types of media and at libraries and other well-frequented facilities.</li> </ul>
Fondra Allen, Single Parent Two (2) Children	<ul style="list-style-type: none"> <li>Moved from a project-based Section 8 development to private housing for the safety of her children. She is challenged each month to pay rent and utilities. Affordable and safe housing is very scarce in the city.</li> <li>Recommends that the District create a local rental subsidy for people like herself and others.</li> </ul>
Robert Pohlman, Executive Director of the Coalition for Nonprofit Housing and Economic Development	<ul style="list-style-type: none"> <li>Strongly support efforts to dedicate the \$25 million contribution from the Freedom Forum for affordable housing to a revitalized Housing Production Trust Fund which will provide maximum flexibility for the use of funds and will help ensure broader private sector participation in financing affordable housing in the District.</li> <li>At this juncture, coordination and partnership is needed between the District government, nonprofits, local banks, etc., along with action plans, particularly in neighborhoods where D.C. offices are being relocated and where NCRC investments are being made.</li> <li>Improving neighborhood commercial corridors, assisting small businesses (particularly in distressed neighborhoods), addressing aspiring Section 8 project-based rental properties, coordinating with other District agencies and nonprofits to address the special housing needs that we have in this city, promoting increased home ownership opportunities for low and moderate income households, encouraging mixed income development and attracting more middle income residents to distressed neighborhoods, preserving affordable rental housing and preventing displacement.</li> </ul>

**“Housing and Community Development Needs in the District of Columbia”**  
**Hine Junior High School, 335 8<sup>th</sup> Street, SE, Washington, DC**  
**Monday, October 16, 2000**

Bryant Gilmore, Attorney Washington Legal Clinic for the Homeless	<ul style="list-style-type: none"> <li>• Sixty percent of the District’s residents are renters. Only New Jersey has a higher rate.</li> <li>• The District used to have an “Emergency Assistance” program. I think the city needs a program like that to assist low and moderate-income individuals with rent, mortgage and utility emergencies to help prevent homelessness and the events that happen thereafter.</li> <li>• Landlords are phoning housing inspectors to come and inspect their properties; not to ensure they are up to housing codes, but to declare the building(s) unfit so the landlords can get out of the Section 8 program. This maneuver will certainly create a gap in the community as it relates to affordable housing.</li> </ul>
Norma Baynes, Fairmont Square Apartments	<ul style="list-style-type: none"> <li>• The tenants of Fairmont Square are working with University Legal Services to purchase their building and requests that funds be set aside to assist tenants with down payments and closing costs, and help with renovations.</li> <li>• We understand that the limited resources are stretched to its limits, however, we are in a serious housing crisis in the District and in need of support and help from the District government.</li> </ul>